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FINANCIAL TIMES

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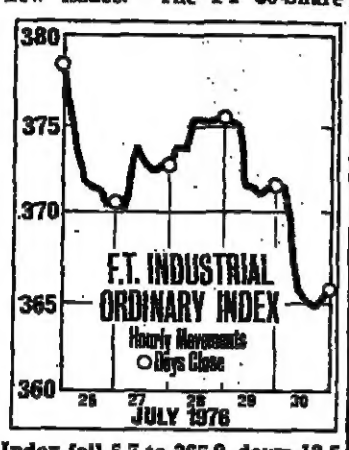
Business in Germany?
Landesbanken
Girozentralen
Sparkassen

CONTINENTAL SELLING PRICES: AUSTRIA Sch.134 BELGIUM F.22; DENMARK Kr.3; FRANCE F.2.54; GERMANY DM.1.78; ITALY L.480; NETHERLANDS Fl.1.75; NORWAY Kr.3; PORTUGAL Esc.17.50; SPAIN Ptas.35; SWEDEN Kr.2.75; SWITZERLAND F.1.70.

NEWS SUMMARY

GENERAL
Shaking alert on more quakes
England has been on full official alert since early yesterday afternoon as authorities gave a warning that another earthquake, the third in three days, could strike the city at any time.

BUSINESS
Equities lose 12.5 in week; gilts dull
● EQUITIES retreated further, sentiment still undermined by the poor response to this week's new issues. The FT 30 Share



1976's pardon by free 200
Prisoners should be released 200 years after the 1776 American Revolution. The Government announced today that it was considering a pardon for all prisoners who were sentenced before 1776.

Execution delay
Dublin couple sentenced to hang for the murder of a police officer, Noel and Marie Murray, have been granted a stay of execution pending the hearing of appeal before the Irish Supreme Court on November 19.

polls hitch
Major uncertainty has arisen over the EEC's plans to start a referendum on the European Community in 1978. Under a voting system elections will take place only if all nine member states agree to go ahead with them simultaneously.

Tools decision
Law Lords will be working this week-end to reach a decision over the comprehensive ban on the use of tools in the home by the Home Office. The ban was introduced by Mr. Fred Mulley, Education Secretary, who claims the ban is necessary to prevent the use of tools in the home by children.

trial
Editor of Private Eye, David Ingram, and his publishers, were sent to the Old Bailey yesterday for a private libel prosecution by Sir James Goldsmith, owner of the magazine.

£350m.
The public spending on the new five-year plan, £350m, is being urged by the Government to be cut by 10 per cent.

fly ...
The Government has ordered a ban on the use of flycatchers in the home by the Home Office. The ban was introduced by Mr. Fred Mulley, Education Secretary, who claims the ban is necessary to prevent the use of flycatchers in the home by children.

team searching for a
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PRICE CHANGES YESTERDAY

in pence unless otherwise indicated		
Leslie	50	4
Lucas Inds	207	7
Magnet & Southern	128	3
Manly & Garton	164	3
Metal Box	164	3
Morgan & Grampian	77	3
Northern Foods	63	4
Novo (Jersey) Knit	14	2
Pickington	302	13
Pride & Clarke	212	61
Reed Intnl	273	13
Roitmans	358	7
Standard Chartered	223	6
Tate & Lyle	340	18
Trafalgar House	97	18
Worburn Eng.	415	15
Anglo Am. Coal	313	10
Northgate Expl.	675	25
Palaboz	390	15
Southwall	148	4

Laker wins High Court battle for Skytrain service

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

Mr. Freddie Laker, chairman of Laker Airways, yesterday won the latest round in his long battle to have his cut-price Skytrain service accepted on the North Atlantic air route between the U.K. and the U.S.

Mr. Justice Mocatta gave a High Court judgment in Laker's favour when he ruled that Mr. Peter Shore, when Secretary for Trade, was not entitled to cancel the Skytrain licence held by Laker, as he had said he intended to do in his White Paper on Civil Aviation Policy issued last February. The court ruled that Mr. Shore had not acted lawfully in cancelling the licence. The directions he had given to the Civil Aviation Authority on this matter were ultra vires. The last night the Department of Trade was pointing out that the policy guide lines were debated in both Houses of Parliament and approved without a vote. The judge nevertheless granted Laker Airways a declaration that the Department of Trade was not entitled to cancel the Skytrain licence on the North Atlantic. The High Court ruling does not mean that Laker Airways can start a Skytrain service to the U.S. just yet. In the first place the Department of Trade is considering an appeal, and because the law term only ended yesterday, this cannot be heard until the autumn.

Industry rebuffs Premier's call for investment boost

BY KEVIN DONE, INDUSTRIAL STAFF

THE PRIME MINISTER failed yesterday to soothe industrialists' resentment over the ERM increase in national insurance contributions during a strained half-hour meeting with the leaders of the Confederation of British Industry. Lord Watkinson, the president of the CBI, made it clear that he felt it would be "totally counter-productive" for the CBI to take any special initiative towards encouraging industry to step up investment. "If we can do anything to get the industrial strategy going again, all right. But for the moment it has blown up in our faces." The Prime Minister expressed disappointment at the CBI reaction, which he did not feel was justified. During a meeting described as "a firm, with straight talking on both sides," Mr. Callaghan asked the CBI to reconsider its recommendation to companies not to go ahead with investment. Taken together, the pay policy, the revisions in the Price Code and the national insurance contribution meant that industry had not been treated unfairly, he asserted. The CBI also came in for criticism from the unions. Mr. Jack Jones, Transport and General Workers' Union general secretary, accused it of "irresponsibility of the most offensive character."

Marathon raises N. Sea stake

BY RAY DAFTER, ENERGY CORRESPONDENT

THE U.S. Marathon Oil group is increasing its stake in the North Sea Brae Field by acquiring half the interest held by Siebens Oil and Gas. As a result of the deal Marathon, which recently took over the field's operator, Pan Ocean, at a cost of £260m, (£144m), will have a 36 per cent stake in Brae, estimated to be one of three largest finds in the U.K. sector of the North Sea. The agreement involves Marathon's acquisition of half of Siebens's 8 per cent interest in blocks 16/3 and 16/7, which include Brae, and half Siebens's 10 per cent stake in block 16/2. Siebens's 11 shares, which are not officially listed, yesterday rose 25p to 185p. Details of the cash arrangement have not been released, though the companies confirmed that Marathon would assume Siebens's exploratory and development expenditure in the blocks. This provides the key to the reason for the deal. It is believed that Siebens was concerned about the cost of developing its share of the field. Figures from another Drill rig began drilling a new appraisal well to the south-west of the third successful drilling operation on June 25. Marathon said at its U.S. headquarters that the deal showed the group's belief that Brae was a very good investment opportunity.

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Golf	5		
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First National prime cut to 7%

BY JAY PALMER

NEW YORK, July 30. FIRST NATIONAL City Bank of New York this morning cut its prime lending rate as from next Monday to 7 per cent, from 7 1/2 per cent. The reduction, which followed the decision by several other key banks to go to 7 per cent, earlier this week, was widely expected. A week ago, Citibank announced that its money market formula for determining prime rate changes was inconclusive and that consequently it had decided to remain at 7 1/2 per cent. Subsequently, market interest rates moved slightly lower and earlier this week Morgan Guaranty and First National Bank of Chicago became the first to return to 7 per cent. Although Citibank is for once not setting a trend for the U.S. banking industry, its reduction is still likely to trigger similar cuts by many other smaller banks. Already this morning, several have copied Citibank, including Continental Illinois, Manufacturers Bank of Detroit and the National Bank of Detroit.

Loan demand

The move towards lower prime rates, however justified by lower key interest rates, comes at a time when bank loan demand remains slack. The reductions suggest that the banks have now given up earlier theories that lower primes would not necessarily generate enough extra loan demand to offset lower lending margins. Michael Blanden writes: European central banks were forced to intervene in foreign exchange markets to combat growing speculative pressure on the "snake" joint floating arrangement. The pressure was again concentrated on the West German D-Mark, which reached its upper limit within the permitted "snake" range of fluctuations, with the Belgian franc and the Swedish krona at their floor levels. The West German Bundesbank intervened in the market to buy both Belgian francs and the Swedish currency. The Belgian authorities also supported their own currency and announced rises in some official interest rates — on special advances and short-term Treasury certificates — to help defend the franc. Meanwhile, the Dutch Central Bank raised official rates by 1 per cent from Monday, taking bank rate to 5.5 per cent. The pound rose 10 points at \$1.7555, with its effective depreciation widening from 38.7 to 38.8 per cent.

Panel censures merchant banker

BY MARGARET REID

AN ANGRY row blew up last night between the City Takeover Panel, headed by Lord Shawcross, and the merchant bankers M. M. Rothschild and Sons, after the panel had censured a director of Rothschild, Mr. James Joll, for his role in helping to deceive the panel. The storm was sparked off by the panel's assertion, in its pronouncement on the case, of the general principle that merchant banks' duty to help the panel in discovering the truth over-rides any duty to their clients. Rothschild suggested this could give rise to difficulties, but the principle was fiercely defended by Lord Shawcross, the panel's chairman. The matter was raised by the statement of its findings about what it describes as a deception following its inquiry in 1971 into alleged insider trading in the shape of a purchase of shares in Seaford Amalgamated Rubber shortly before a bid for that company by Sime Darby. The panel's latest probe followed submission of documents and tapes sent to it by the Singapore authorities and taken from the records of Mr. Dennis Pinder, the former Sime Darby chairman now serving a jail sentence in Singapore for breach of trust.

'Rule breach'

The matter originally arose following the purchase by the Sime Darby group of a 10 per cent stake in Seaford Amalgamated Rubber, a former non-executive director of Sime Darby, of 10,000 Seaford shares. Yesterday's panel statement said: "It now seems clear that there was a breach of the then Rule 30 of the Takeover Code in the purchase of the Seaford shares at the instance of Mr. Scott at a time when he was privy to the takeover discussions in Mr. Scott's former role as chairman of the Seaford Amalgamated Rubber. The panel's findings confirmed its confidence in the integrity and professional competence of Mr. Joll 'notwithstanding an error of judgment five years ago, which he acknowledged.' The panel's findings had not caused them to change their view. The bank said it had been supported in this by the findings of a committee of inquiry set up internally consisting of Lord Goodman, barrister Mr. Leonard Leach, and three Rothschild directors. Rothschild, continued in a comment which drew a sharp riposte from Lord Shawcross as the panel's chairman: "They (Rothschild) also consider that a merchant banker's duty, as now formulated by the panel, to reveal to the panel any doubts or disquiet he may have about his client and to acknowledge this duty, overrides any duty to a client, is capable of giving rise to practical difficulties. These deserve consideration and discussion among those responsible for the working of the panel." Lord Shawcross hit back, contesting this query of the panel's. Continued on Back Page Details Page 15

Löwenbräu: The world's most exclusive and expensive beer.



Your savings and investments

Pensions made easy

ERIC SHORT

TIL RECENTLY, pension managers rarely told their members anything about their schemes, their progress, or their investment policy—and if they did, it was in a form completely illegible to the layman. But now, the growing interest in pensions by employees, and the pressure on employers to tell members what is happening, has led to a new era of openness. This week, I was asked by Mr. Richard Neale, manager of Imperial Group's pension funds, to write about his experience in this field and to provide a description of the pension scheme administration, a financial statement of the fund to April 1975 and details of the investment policy. Whether members read it or not, they cannot complain that nobody tells them anything about the scheme.

The government is proposing to legislate on pension schemes, communications and employee participation. I hope it will first survey what is already being done by funds and will allow a high degree of flexibility so that the members of each scheme can decide with the management what they want in this area.

Passing the buck

LE I cannot pretend to get excited about the intricacies of the various companies listed with Anthony, the ex-Slater, ex-director, I am interested in the suggestion from us quarters that the Oceanic unit trusts (where the parent company is owned by the Lamont group) were sent to the directors in Buckley. This is denied by Oceanic's managing director, Hugh O'Neill, who denies to be on the either that the companies spotlight were in the files before Mr. Buckley on the scene or that they chosen only on the basis of investment merit. A type of argument occurs time to time and when it does arise, there is a new for the managers attacked to say, "But this thing new" and then go name various competitors are even bigger investors in the same companies. There is doubt that a degree of ill-doing goes on (even in the illustrious circles) and it is not difficult to say, a right bank to avoid having connections with companies in the portfolios. It does seem that while one pays lip-service to disavowal of "warehousing" and which is now looking for a "wider marketing base"—pre-little that is being done the present rules to prevent it. For example, I asked the Secretary of the Unit Trust Association about it (Oceanic is a member) and he said: "This is a matter for the trustee." So I contacted Royal Bank of Scotland, trustee for the Oceanic funds which (having said that the unit trusts held only a small part of the companies mentioned) went on to disclaim responsibility on the grounds that as trustees they had no powers of veto on investments under the Oceanic trust deeds. As far as the trustee was concerned the investments were right and proper investments within the terms of the deed.

But someone ought to be responsible and most unit holders believe that the trustee is there to protect their interests—which covers having a word with the managers about their choice of certain shares. Certainly this has been the case in the past where other trustees were concerned. The point is that Oceanic unit-holders have had the misfortune to be passed from pillar to post (the takeover trail leads right back through Triumph Investment to the Hodge group) and urgently need some degree of stability and reassurance. So far this does not seem to have been the case with Lamont, which is now looking for a "wider marketing base"—pre-little that is being done the present rules to prevent it.

Agriculture

They have done this by lifting the guaranteed bonus rate on their bonus reinforced policies following an increase in their general bonus rates, thus lowering the premiums per £1,000 cover. So perhaps it is an opportune time to discuss again the use of these policies in relation to the investor, but prior to 1975 slump in values it was gained in favour of a policy floated over the supply and the increase in interest of various proposals. The general slump in the stock market of agriculture is an investment medium I remember plaintive from investors, saying things I hold have gone down, my agricultural bonus rates rise, the company will hold up?" were doomed to dismember. But, though still unchanged. Since the premium way off the magic prime acre figure, the prime acre has recovered, and funds are buying for a respective capital appreciation of 10 per cent. per annum has been achieved over 20 years. What's more, the Property Unit group launched a new fund especially for agricultural funds. As Mr. Cecil, the chairman of the £10,000 mortgage over 25 years said: "Land needs money, and the institutions have a policy to follow the £10,000 without profits contract is £19.85 per month.

The other Asia funds

FOLLOWING THE launch of the GT Asia (Sterling) feeder fund launched under the auspices of GT Management last week I thought that I would take a look at the performance of the relatively few unit trusts in the Asian field. Briefly S & P Japan Growth, M & C Japan and Allied Hambro Pacific are right at the top of the performance tree compared with other funds over the past five years... bearing out GT's eulogies about the performance of the Japanese stock market whose return on capital (adjusted for exchange rates) dwarfs those of the U.S. and the U.K. But investment managers still mainly sing the praises of the U.S. market despite its obvious difficulty in making a real breakthrough.

Downment

AN investor buys a he takes on a financial ment that can hang its neck like a millstone. In interest repayments in May was little than a token gesture, but the help. Recently, two companies—Royal Insurance and Widows—have the repayment new housebuyers using downment method.

Ways into gilts

BY CHRISTOPHER HILL

Gilt-edged Portfolio Management Services		
	Capital & Income movement %	F.T. Actuaries 20 Year Govt. Stock Index %
Income Portfolio	+29.40	-17.01
Capital Portfolio	+27.49	-12.66
	Capital & Income movement % 13.74 to 53.74	
Govt. Securities Bond	+22.07	+16.79

advantage of gilts in this respect is that it is possible to invest or raise large sums of money at very short notice if the managers think this is the right course of action to take. The various funds run by K and S have done well by comparison with other yardsticks but the ones of most interest to the U.K. private investor are the Gilt Edged Portfolio Management Service and the Government Securities Bond. The first is designed for the individual in that it is managed under a pooling arrangement which leaves him

as the beneficial owner of his investments in the same position as if he were a private client of the firm. This is important in order to retain the advantage of tax-free capital gains—unless of course the fund decides to sell stock within the one year limit. The management service includes an income portfolio as well as a capital portfolio. There is no lower limit on the subscription to the service but the annual management charge of the case but at any rate this is what flexible management is all about.

Wood, Mackenzie is the most comprehensive investigation seen for some time, probing in detail the past and present earnings profile, its expanding geographical base and its management structure. The group has significantly improved its performance over the past three years and a rather indifferent picture in the 1960s. The growth in net

Bond is reckoned to be a suitable method for the small investor either to build up an investment in gilt-edged by an annual premium of £250 (which can be paid monthly) or to go for a single premium bond of £1,000. Once again the increase in values of the bond has beaten the FT-A 20-Year Government Stock Index and comparative stocks since the starting date (March 1, 1974) but of course the tax advantage of holding gilts is less for the tax rates are as assurance company levels. The underwriting group is Schroder Life.

Since the level of interest rates is all-important to the management of a gilt portfolio, what does K and S think of the situation at the moment? The brief answer is that the funds are all in cash and the firm is looking for higher interest rates in the near future—it is particularly concerned about the effect of the recent fall in the savings rate. It remains to be seen whether this will be the case but at any rate this is what flexible management is all about.

by WM's conclusions that earnings will continue to grow over the next few years with an £800m. trading profit in 1977 despite weakness in the U.K. The shares yield 6.3 per cent. on the proposed 25 per cent. dividend increase. But WM warns investors to watch the market carefully over the next few months.

Going for FFI

BY ERIC SHORT

THERE HAS been considerable discussions about new ways in which financial institutions could invest in British prior to this date is only allowed industry. To date, two main solutions have emerged from the interested investors should consider very carefully whether they are willing to have their money tied up over long periods simply to get the higher interest rates. The other disadvantage of this scheme is that these deposits are not classified as either narrower or wider range investments under the Trustee Investments Act 1961. So trustees whose investment powers are limited to those laid down in this Act cannot avail themselves of this scheme, which is a pity. These deposits would be suitable for the fixed interest part of a trust's portfolio. FFI is owned by the clearing banks and the Bank of England, so that the security should be impeccable. A few weeks ago I wrote on the new Sun Life City Plan and referred to the City of London Building Society confining its operations to the South of the country. I have been asked by the society to point out that while it confines its main operations to this part of the country it will honour any inquiry from a policyholder for a mortgage on a property in any part of the country, the only exception being property in Northern Ireland. But one big disadvantage of Ireland.

"Opportunities in property are growing fastest in areas where Merchant Investors is strongest"

That is the view of Richard Ellis, one of the leading firms of Chartered Surveyors, property advisers to many Institutions, and Managers of the Merchant Investors Property Fund.

Their view, therefore, is based on an intimate knowledge and understanding of property and a detailed assessment of current conditions and prospects.

It reflects the widespread conviction that property has come back strongly into its own as an investment medium.

And underlines our confidence that well-chosen property today offers one of the best prospects for the significant and sustained growth necessary to fight inflation.

But it is not just growth prospects which we believe should recommend Merchant Investors Property Bonds to the prudent investor.

Security, tax efficiency, the ability to take a regular income, the strength of a worldwide insurance Group; all these will be of greater or lesser importance to individual investors. Which is why Merchant Investors has constructed its Property Bond to meet all these requirements simply and efficiently.

It is this combination of the prospects for property, the structure of our property portfolio, the built-in features of our Bond and the strength of Merchant Investors which we believe makes the Merchant Investors Property Bond one of the most attractive investments available to the private individual.

Growth you can share in now

Unlike last year's boom in stock market values, which many private investors feel they have now missed out on, the growth in property values looks to be much more steady and consistent. A return in fact to the historic growth pattern shown by good quality UK property. By investing now you can claim your share of the expected growth in property values.

Prime property offers the best prospects

As you might expect, the recovery in property prices is concentrated on prime properties—those in the best locations, fully let and well designed and built to meet the needs of their occupiers today and for the future. Other buildings, the secondary property sector, will take a good deal longer to recover.

Everything else you should know.

Age when you buy	Guaranteed Life Cover
Under 30	£1,000
30-34	£1,500
35-39	£2,000
40-44	£2,500
45-49	£3,000
50-54	£3,500
55-59	£4,000
60 and over	£4,500

2. Personal Taxes. With Merchant Investors Property Bonds you have no personal liability to basic rate tax or capital gains tax and you do not therefore have the trouble of keeping records, higher rate tax and interest income surcharge could also be on the cards. In which case, it is calculated on the basis of your income (details available from the Company).

3. Company Taxes and Statutory Liabilities. The normal and other income of the Fund is exempted from income tax and is not subject to corporation tax. The Company is also liable for Capital Gains Tax at 30% (although the unit price itself will be adjusted for this liability) and for a rate of 30% on any capital gains (which is deducted from the Fund).

4. How you can watch the value of your bond. The Fund is divided into units which are

valued each month. A single unit price is declared (no difference between buying and selling prices as with most other Funds) and is published in leading national newspapers. A full valuation of all the properties in the Property Fund is carried out each month by independent chartered surveyors, Jones, Laing & Wootton.

5. What are Merchant Investors charges? There is an initial charge of 5% on your investment. Thereafter there is no normal charge of more than 1%—we present this is limited to 4% of the value of the Fund. This covers the life assurance and other Company charges. The cost of managing and valuing the properties is met by the Fund.

6. Confidential Information. Every six months, Merchant Investors will send you a Fund Report describing all the Fund's investments.

7. How to cash in your bond. At any time you can complete a simple form and you will receive a cheque for the full value of your units as determined at the time of valuation. To protect bondholders' interests, the Company may, in exceptional circumstances, defer the calculation and payment of surrender values for up to six months. This will not apply in the case of the death of a bondholder.

8. Trustees. Barclays Bank Trust Company Limited, 54 Lombard Street, London EC3 are trustees of the Fund as trustees in accordance with the requirements of the Department of Trade under the Insurance Companies Act 1974.

The death benefits come into force only upon acceptance of your application by the Company, which reserves the right to refuse to issue a cover if you are not in good health or for any other reason. Your advertisement is based on legal opinion regarding present law. This offer is not open to residents of the Republic of Ireland.

Prime property is the area where Merchant Investors has always concentrated its activities, to achieve the right balance of income and capital growth.

The Merchant Investors Fund

Merchant Investors Fund structure is, as Richard Ellis has observed, perfectly tuned to the opportunities in property now and for many years to come. Over the past few years the majority of the Fund's development projects have been completed and the properties let. Today, we have a well spread Fund in excess of £10 million, with 30 properties and a structure as follows:

Offices	19.5
Shops/Offices	24.2
Shops	18.6
Industrial	17.6
Properties held for development	1.6
Liquidity	18.5
Total	100.0

Rental growth—a key to capital growth. When the Government announced the ending of its rent freeze in December 1974, it stated that "a

Supplement your Income (The Cash Withdrawal Plan)

You can, if you choose, use your Bond to supplement your income by cashing-in automatically a proportion of your units each year—up to a maximum of 8% of your original investment.

For most investors such payments will be free of all taxes. Even higher rate tax payers will pay no tax at the time on the first 5% withdrawn each year and only have a limited liability on anything above this (see note 2 below).

As long as the increase in unit prices (from both net income and capital growth) is greater than the percentage chosen, your Bond will still grow in value. However, should unit prices grow at a lesser rate (or go down) the value of your Bond would decrease.

healthy market in commercial property is necessary for the achievement of the Government's social and economic objectives". It thereby removed a major, artificial block to the growth in property values: the value of a building is ultimately related to the amount of rent it produces.

Between now and 1980, rent reviews on Merchant Investors property portfolio, assuming today's rental levels, will increase the Fund's rental income by 60% to 65%. This will also have a major influence on the future value of the Fund's properties.

The effects of a future shortage of property

As the economic recovery builds up, so will demand for property.

For a number of reasons, however, over the past two years new property development has slowed to a trickle. Now legislation, including the Community Land Act, promises to reduce it still further.

There is, therefore, a real likelihood of a serious shortage of new industrial and commercial property when the economy picks up further. And that could mean a rapid growth in the value of the sort of properties that constitute our Fund.

The strength of Merchant Investors

Merchant Investors is a well established life office. Our purpose is to offer private savers in the U.K. the benefits of combining expertly managed investment with unit-linked life assurance to produce tax-efficient and well founded investment contracts. Merchant Investors is now becoming part of the worldwide Nationale Nederlanden Group. Nationale Nederlanden is the largest insurance company in Holland with assets of £2.8 billion.

How to invest

While you should remember that the price of Property Fund units can fall as well as rise, Merchant Investors well spread, professionally managed Fund is extremely well placed to take advantage of any improvements in the property market.

To invest in the Fund at the current price of 118.9p per unit you simply need to send the application form below, together with your cheque, TO REACH US NOT LATER THAN FRIDAY, 6TH AUGUST. Thereafter units will be issued at the price ruling on receipt of your application.

Merchant Investors Property Bonds

MERCHANT INVESTORS ASSURANCE COMPANY LIMITED
Grosvenor House, 125 High Street, Croydon CR9 1LP Telephone: 01-686 9171

I wish to invest (minimum £500) in Merchant Investors Property Bonds and enclose a cheque for this amount payable to Merchant Investors Assurance Company Limited.

Signature: Mr/Ms/Miss

Full first names

Address

Occupation

Date of Birth

Are you now, and have you always been in good health?

If not, please give or attach details

Cash Withdrawal Plan

If you wish to receive regular payments under the Cash Withdrawal Plan (minimum investment £5,000) please indicate percentage of your original investment (up to 8%) which you wish to withdraw each year:

(If you leave the box blank, the income and capital will be accumulated in the Fund for you. You can at a later date receive regular payments under the Cash Withdrawal Plan simply by writing to the Company).

Tick box to indicate frequency of payment you require under the Cash Withdrawal Plan.

☐ YEARLY (Investment of at least £1,000)
☐ HALF-YEARLY (Investment of at least £2,000)

Signature

Date

Company Number: 980142 Registered in England.

Registered Office: 125 High Street, Croydon CR9 1LP



Emigration allowance

BY OUR LEGAL STAFF

I am shortly emigrating to Malaysia and am told that once I have obtained the necessary exchange control clearance to transfer the £20,000 allowed from the U.K., I need not send it there, but to any other financial centre. Is this correct? Does all the £20,000 have to be transferred at one go? Normally, you would be expected to transfer your £20,000 emigration allowance to the country of your destination (after all, the amount allowed is not the same for all countries). We believe that exceptions might be made for certain specific and limited purposes and you should ask your bank to make an application. There should be no problem in carrying out the transfer in instalments as you suggest.

Qualification for premium

We emigrated to Australia in 1959 and returned to the U.K. in 1962, and shall probably stay here. My wife bought a building plot while we were in Australia and I bought some shares. Can we obtain the premium on the sale of these? We do not think that under the current regulations the proceeds of the sale of your wife's building plot in Australia would qualify for the currency premium, since it was acquired without paying the premium before June 1972. However, assuming that you are regarded as U.K. resident for exchange control purposes it appears that the shares would attract the premium.

Bunk without a rail

I fell out of a bunk on a cross-Channel ferry on a relatively calm night as there was no guard rail, and did a permanent injury to my shoulder. The company will not pay me any compensation. Is it worth suing them, or can anyone else bring pressure to bear on them? We think that it would be difficult and expensive to pursue a claim in the courts. To succeed it would be necessary to prove

that the bunk in question was (or all the bunks were) unsafe. While the absence of a guard rail might appear to speak for itself, the possibility of there being evidence of a vast number of journeys made without mishap could neutralise that inference. So the pursuit of a claim by litigation may be very costly and of doubtful success. You may be able to enlist some support from the Royal Society for the Prevention of Accidents.

Money paid to pension fund

A company by which I was formerly employed is going into liquidation and on my inquiry from the insurance company operating their pension scheme, I was told they had received no monies from my employers since March, 1975. Can I not recover the money deducted from my salary? You may well be able to recover monies deducted from your salary but not paid to the pension fund, notwithstanding liquidation, as monies held by the company as trustee. You should consult a solicitor with a view to taking proceedings against the company if necessary.

Refund of a dividend

As executor I made the usual Gazette notification for claims against an estate and then nearly 18 months after distributing the assets received a claim for repayment of a dividend of £15.23 to the purchaser of some shares formerly owned by the deceased. Am I entitled to refuse the demand? If so will the selling broker be required to make this good to the buyer? If you have no funds left in the estate account and no further assets from which the £15.23 may be paid, you need not repay the dividend. If there are funds/assets available the refund can and should be made. This is all on the assumption that the sale was not ex-dividend and that the dividend was declared after the sale. If the

dividend was declared before the sale, and the sale was not cum div. it is likely that the claim for refund is not justified. Stock Exchange Rules do not require lodgment of a transfer within any specified period after the sale.

Open plan covenant

Some three years ago I bought a house on a new estate and covenanted to conform to the open plan of the site. However, owing to the high proportion of families with children and pets who have moved in, there has been a lot of vandalism and trespass, and at least 20 other occupants besides myself would now like to erect fences. The vendors do not agree. (a) Can we revoke the covenant? (b) Can the vendor continue to insist on the terms of the covenant, without regard to what is happening elsewhere? (c) Can we sue the vendor on account of (b)? (a) The vandalism/trespass to which you refer is not a ground for not observing the covenant, but it may enable an application for modification of the covenant to succeed. (b) So long as the covenant remains unmodified the covenantee (vendor) can insist on its observance regardless of whether he enforces the other covenants or the same covenants against others. (c) You cannot sue the covenantor for the want of enforcement of similar covenants hitherto. We think that your best course would be to apply to the Lands Tribunal under Section 84(1) of the Law of Property Act, 1925, for an order modifying or discharging the covenant. Your neighbours could join in making a joint application with you.

Registration book

I brought a car into the U.K. and in January obtained a U.K. licence for four months, with a letter saying that a registration document would follow from Swansea. Four letters to the Vehicle Licensing Office have failed to produce this document, and I am thus

unable to sell the car. I have had to tax and insure it for another four months.

If it is possible to take steps to compel the issue of the registration book and the refund of the loss involved in having to keep it licensed, now running at about £2 a week? It would be possible to compel the issue of a registration book, but the cost of doing so is likely to be disproportionate. Reference to your Member of Parliament with a view to placing the matter before the Parliamentary Commissioner might help—in a letter to the Licensing Office pointing out that you will be obliged to adopt that course might achieve the desired result.

Removal of a trustee

I am life tenant of my husband's estate. If the remaindermen and I agree, can the Bank's services as one of the trustees be terminated? Must an alternative be appointed? You will have to appoint a new trustee to replace the Bank if it agrees to retire. However the new trustee can be an individual; or two new trustees may be appointed. If the two remaindermen agree to become trustees there should be no objection in principle to that course being adopted.

Quantification of a loss

During 1972 my solicitor neglected to make a search, causing delay in enabling me to offer my house for sale. The market for such houses more or less collapsed a little later and I have been unable to sell at a reasonable price. Is there anyway I can sue, without selling the property and so measuring the damage? You can issue your writ and pursue your claim either on the basis that damages will be assessed in due course on an actual quantification of your loss; or by taking professional valuations of the property. The latter is the usual course and that which ought to be adopted in the absence of any unusual impediment to the making of the relevant valuations.

THE COMMENTS in the last two weeks on annually renewable disability cover and non-cancellable permanent health insurance cover have I am afraid been implicitly directed to would-be male policyholders—for all insurers discriminate against women on underwriting grounds, in the provision of both kinds of policy.

However this discrimination is entirely lawful and not contrary to the Sex Discrimination Act, 1975, which became law at the end of last year. The Act permits the terms for "annuity, life assurance policy, accident insurance policy or similar matter involving the assessment of risk," offered to one sex, to differ from the terms offered to the other sex on the grounds of "actuarial or other data from a source on which it is reasonable to rely."

Putting this in layman's language, what the Act says is that a woman may not be refused insurance where in similar circumstances a man would not be refused (or vice versa) but she may be offered different cover or charged a different price if reliable statistical evidence supports this differential.

Both insurers' and national statistics show that it is an undoubted fact of life that women enjoy a greater life span than do men, by some three to four years and for this reason the average fit woman buying life insurance or a pension unduly pays a different price than does the average fit man of exactly similar age.

The majority of British insurers will hold from the evidence of their statistics, which are supported by national figures produced by the DHSS, that women suffer from a greater degree of ill-health than

A woman's world

BY JOHN PHILIP

do men: the extent of this morbidity (to use the medical insurance term) is normally reckoned to be at least 50 per cent. more in any group of women than in a similar group of men of similar age.

Consequently insurers have in the past been more reluctant to make PHI cover available for women, though all are now prepared to insure women on some terms: they are not however agreed on the precise terms any more than they have a common tariff for men: many offices load their female rates by 50 per cent. but the loading bracket in fact runs from 33 to 100 per cent.

As I have explained previously, PHI cover is essentially a long term insurance for the longer period of disablement, while the annually renewable contract, with its two year accident and one year sickness cover, is clearly designed to provide short term protection. When selling this annual cover to women most insurers supply a seven-day "excess" to all sickness claims—but some in addition charge higher rates than they do for men.

Reverting to PHI policies, which are normally arranged with a terminal date to coincide with the individual policyholder's expected retirement date, since women normally retire from employment at 60, a number of insurers sell PHI to women subject to this upper age limit.

One clause common to both annual and PHI policies sold to women, which normally appears in most policies, is the exclu-

sion of disability due to pregnancy or childbirth: insurers take the view, fortified so I believe by opinion of government departments concerned with the Sex Discrimination Act, that this kind of exclusion is perfectly legal.

The PHI contract is for the woman at work, whether in employment or self employed, not for the housewife. When claim comes, the woman policyholder, just like the man, will have to prove the extent of her disablement to the insurers in order to allow insurers to decide what level of benefit to pay.

Under annual policies also, insurers practice has been to require the woman policyholder to be gainfully employed. The problem insurers have always said is to determine not only when the housewife is totally disabled but for how long the disablement lasts—for it is common knowledge, they say, that the housewife will start doing odd jobs about the house as soon as her doctor's back is turned. Another problem insurers assert is to determine a reasonable level of benefit for someone who has no earnings yardstick.

It seems to me that insurers ought to be able to provide disablement cover against the evidence of a doctor's certificate (for which the non-earning claimant might well have to pay) and that it should be possible to fix a reasonable level of benefit having regard to the husband's earnings capacity in most policies, is the exclusion of family circumstances.

Alternatively the husband's sick could well be the cost replacing even on a part-time five day a week basis housewife's services to husband and family, which these times cannot be less than £20 per week. But whatever the theory, practice continues to be to treat housewives as Cinderella of the disablement insurance market.

Now a word about group pay schemes. As I see it, joint effects of the Sex Discrimination Act and the Equal Pay Act mean no employer now set up a group scheme, his staff that does not pay equally to men and women employees and does not provide them (subject to their grade) employment if this be a determining factor. So benefit for disablement, as must be lawful for such scheme to have separate pay scale limits for women and men to coincide with the commonment of their state pensions.

Some schemes are wholly contributory, and when employers themselves have pay premiums, what I have already said about individual contracts must also apply: insurers must be able to claim men and women differ premiums, and to award different gratuities to men with the proven higher morbidity.

Coins

COINS commemorating the Olympic Games have a surprising antiquity, dating back to the 6th century BC when the city of Elis minted an impressive array of silver coins in connection with the athletic contests held every four years at Olympia. The Games were held under the patronage of Zeus and his attributes and symbols were featured on the coins—the flaming thunderbolt and the eagle killing a snake. Other coins of Elis portrayed Nike, goddess of victory, bearing the laurel wreath awarded to the champions.

Coins alluding to the Olympic Games were also struck by several other Greek city-states, including Macedonia which commemorated the victory of the boy-king Philip II in the equestrian event of 356 BC with a silver tetradrachm showing the youthful rider on the reverse and the profile of Zeus on the obverse. The most handsome of all the ancient Olympic commemorative coins was the large dekadrachm of Akragas in Sicily, celebrating the victory of Exainetos in the chariot race at the Olympic Games of 412 BC.

By the beginning of the Christian era the Olympic Games were in decline, though they were not formally abolished till 394 AD. The Olympic ideal was revived by Baron Pierre de Coubertin and the first of the modern series staged at Athens in 1896. Though held at four-yearly intervals thereafter, except during the two world wars, it was not until 1951 that a coin was produced to mark the event.

All that glisters

The 15th Summer Olympics was held in Helsinki in 1952 and in anticipation of the Games Finland issued a 500 markka silver coin, with the Olympic rings on the obverse and the wreathed numerals of the value on the reverse. The coin was re-issued during the Games with the date changed to 1952. The coin dated 1951 is a modern rarity, currently valued at about £130, but the 1952 version is reasonably plentiful.



Austria was host to the 9th Winter Games at Innsbruck in 1964 and marked the occasion by striking a 50 schilling silver coin showing a ski-jumper on the obverse, with the standard heraldic reverse used on commemorative coins. The 18th Summer Games, at Tokyo, was celebrated later that year by Y100 and Y1000 silver coins, featuring the Olympic flame and Fujiyama respectively. The Y1000 coin was in short supply and collectors should beware of forgeries. Japan was host to the 11th Winter Games at Sapporo, in 1972 and released a Y100 cupro-nickel coin, with a stylised flame obverse and the Olympic rings on the reverse.

For the 19th Summer Games, held in Mexico City in 1968, the host country issued a 25 peso silver coin showing a Mayan ball-player on the obverse and the Eagle and Snake emblem of Mexico on the reverse (by a curious coincidence, not unlike the Olympic motif on the ancient coins of Elis). Three versions of this coin exist, with minor differences in the position of the Olympic rings and the shape of the snake's tongue. These minutiae considerably affect the value of the coins, those showing the central ring lowered being comparatively elusive.

Olympic coins became more numerous when West Germany produced six DM10 silver coins for the Munich Games of 1972. As each coin was available with four different mint-marks (from Munich, Hamburg, Karlsruhe and Stuttgart), the total collection ran to 24 coins, issued over the period 1969-72.

This has passed into insignificance, however, compared with the lavish coverage of the Olympics by Canada over the past three years. The first of seven Olympic sets of four coins was launched in 1973 and consisted of two \$5 and two \$10 silver coins featuring maps of North America and the world, and the city skylines of Kingston and Montreal. The following year the second series was released and took the ancient Olympics as its theme, with reverse motifs of a Greek temple, head of Zeus, Greek athlete and the victor's laurel crown. The third series, issued in 1975, took as its subject the early days of Canadian sports

and depleted rowing, canoeing and lacrosse. A further set were released in the year of the Olympics—were devoted to track and sports, water events, team body contact sports, and landmarks of the Montreal Games. The reverse of the latest \$5 coins show the Olympic flame and the Olympic rings, while the \$10 coins feature stadium and the velodrome. These coins are available proof and unreticulated from the official distributor, the Royal Mint Numismatic Bureau, Llantrisant, Glamorgan, David E. P.O. Box 154, Great E. Street, London WC1B 3AT, and Son, King's Cross, London WC1X 6PS.

No doubt encouraged by success of the silver Canada—the first gold minted in honour of Olympic Games since 3 and featuring the Athens and a young Even the inscription "Olympiad" on the reverse has been rendered in Greek. Various have been produced circulating coin and a double the normal. Neither, of course, is available to collectors in this because of the present restrictions on gold coins.

To mark the Winter at Innsbruck, Austria issued four 100 schilling coins, depicting the Innsbruck, a stylized ski mosaic background, the ski jump and the Harex with the Olympic rings in the background. JAMES MA

Olympics

MICHAEL THOMPSON-NOEL REPORTS FROM MONTREAL

Marathon marvel

And so to the marathon. Running it at all takes some explaining. The best runners cover the 26 mile 385 yard course in around 2 hours, 12 minutes. Normally they are celebrating Pheidippides—who according to legend ran the 26 miles from Marathon to Athens with news of the Persians' demise and dropped dead of exhaustion. In practice they are embarking on a first phase of about 20 miles in which they seek to burn off their opponents, followed by a six-mile finishing stretch of sheer agony. Normally there is

runners are Keith Angus (2:15.53) and Jeff Norman (2:15.17). Watson said in the Games village this week that he would be happy if he finished 20th. No one is expected to live with Frank Shorter of the U.S., the Munich gold medalist (2:11.51), nor with his running mate Bill Rodgers (2:11.58). While Shorter's personal best is only the ninth fastest ever, he has passed the two hours 15 minutes threshold three times, which is more than anyone else.

He lives in the Rockies on the outskirts of Boulder, trains along mountain paths at 5,000 feet, and can time each mile of the marathon to within a second or two of five minutes. Says Shorter: "If you're asking me why I'm an athlete at all I would have to say because I enjoy the whole thing. I enjoy the training, being fit, feeling in perfect shape. I enjoy running for my country and winning things, but in the end it's all comes down to self-satisfaction, being able to look yourself in the face at the end of the day and knowing you've done a good job. "I may seem fanatical about the whole thing, but winning isn't that important. This thing about the gold medal being the ultimate is a myth. I'd love to win the gold again but it won't be the end of the world if I don't. One gold medal is enough for anyone."

no call, in the marathon, for tactical bursts; they destroy the men who make them. The stupendous assault on mind and body that the marathon involves has produced a roll of heroes. In London in 1908 Dorando, an Italian pastry cook, stumbled into the stadium in the lead. His face was paper-white, he staggered while doctors walked beside him. He fell, was picked up—and was disqualified for having been helped. Because of the controversial non-selection of Ian Thompson, Britain's likeliest candidate for a medal is Barry Watson, a 32-year-old, 5 feet 5 1/2 inches London schoolteacher who has run 2:15.08. Britain's other two

runners were upset by a newspaper report that forthright Shorter hated French Canadians. Many booed, whistled and stamped as he approached the bar, in an attempt to break his concentration. Shorter, a 25-year-old world record holder, easily cleared the bar, then blew kisses to the crowd and struck a ballet dancer's pose in a sardonic salute to his critics. The crowd's shyness grew even attempted the qualifying height of 7 feet 1 inch. The American



If one name has emerged from these Games above all it is Lasse Viren of Finland, latest of Finland's distance runners.

Japanese. But as Shorter, assuming all goes well, hauls them through mile 20 and on towards those 385 yards absurdly tacked on to the 26th mile, try telling that the gold medal does not matter.

American high-jump star Dwight Stones reacted with typical bravado yesterday to an angry reception from French Canadian spectators during the qualifying round. Watchers were upset by a newspaper report that forthright Shorter hated French Canadians. Many booed, whistled and stamped as he approached the bar, in an attempt to break his concentration.

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attempting to avoid controversy but occasionally, and devastatingly, failing to avoid those moored. The largest fleet in the local classes is from the veteran X One Design, which were designed at the end of the last century and which are part of the timeless Cowes scene. Several yachts among this fleet of 60 are originals of the class and some say, with kindly humour, that the age of the yachts is only exceeded by that of their crews, but many more modern classes that have come and gone in recent years could learn much from the enthusiasm and dedication of the X boat fleet.

Although not an Admirals Cup year, with all the international Bahel-like atmosphere that goes with it, the carefully planned traditional après voile events will be there as usual this year and many feel that the absence of the overriding and occasionally overbearing Admirals Cup fervour improves rather than detracts from the blend.

The Combined Clubs Race Committee have wisely changed the eastwards starting line procedure from the RYS, making the Prince Consort buoy at the entrance of Cowes Harbour a mark of every course starting to the east and thus hopefully avoiding the past terrorising of the crews of smaller yachts on moorings inside the entrance as the racing yachts tacked through the closely packed visitors

Education

MOST MORNINGS, early, an old woman wearing black passes the holm oak planted in Mussidan after the French Revolution and greets the brightly shirtd man sweeping the steps of the town's old school.

"Bonjour, Monsieur le concierge," she calls. "Bonjour Madame," he replies, waving cheerily. Then, the sweeping done, 43-year-old John Airs steps inside, enters the headmaster's office, sits down at his desk and examines the mail. Probably he will take a look at some Sartre or Camus, too, before he gets to his classroom to teach GCE Advanced-level French to a group of English teenagers. Because the old lycée in Mussidan is now an English sixth-form college.

Dordogne College does have other staff. There are four full-time teachers who, along with expatriate English and bilingual French part-timers, can provide A-level tuition in French, Spanish, Russian, German, English, history, economics, geography and art. There is Mrs. Annette Airs, a former professional actress, who supervises the domestic staff, along with her four young children, three dogs, at least one cat, and a couple of parrots.

But the power for the works comes entirely from John Airs who, having thought of enabling late teenagers to live abroad without delaying their progress, the English academic ladder, juggled his idea into reality in spite of continual setbacks. Mr. Airs has no time for the more constituted traditions of public schooling. In a past

Sixth-form French

teaching job, he was given the privilege of preparing and serving the stirrup cup at the outset of the local hunt—perhaps fortunately, his wife intervened before he could add the senna pods to the brew. So he was minded to transfer to the State system. But the State sector's tendency to view people who have taught in private schools as contaminated beings was too much for him.

Instead, he became the first male head of an English girls' public school. He is convinced that he was made head of the Overstone School near Northampton because the governors wanted a change from the prissy conventions which still imprison many girls' boarding schools, and for which he has a special scorn. Overstone changed, but not fast enough for its impatient new headmaster, and soon the idea of founding the expatriate sixth-form college was uppermost in his mind.

He happened to mention it to a girl pupil's father, who happened to be a multi-millionaire. He said he would resign from Overstone and devoted himself to detailed planning and seeking a site in his beloved France, financing himself on a bank overdraft arranged through his banker.

Things were moving along nicely when the multi-millionaire went spectacularly bankrupt. Owing £7,000 to the bank, and ineligible for unemployment benefit, the Airs went on to the national assistance. But they kept on trying, and after knocking on many doors, found a solicitor who thought he could

form a consortium to put up the necessary capital.

But the solicitor had not been able to assemble nearly as much capital as he had expected. And the legal complications of forming the consortium had prevented the college from effectively advertising for pupils. When five days before the opening the consortium lost confidence, the college's total roll was five.

Nevertheless, the founder went ahead with the opening. Some good luck appeared in the form of Leslie Marr, who has been variously a racing driver, painter, potter, and photographer, who gave the college his enthusiastic support and is now its chairman. The roll increased over the year to 10 pupils, two of whom have insisted on staying throughout the summer holidays. When the new year starts in September, there will be about 10 boys and 30 girls on the register, each representing an income of about £1,650 a year, which John Airs says will make the enterprise viable.

He knows that his plan to double the roll within the next few years depends essentially on the college's success in the Advanced-level exams. But he would get very angry with anyone who thought him preoccupied with purely academic achievement. The trouble with boarding schools generally, he says, is that they tend to confine their pupils' experience of life within a relatively narrow set of conventions administered by teachers and other institutional officials. "So even those who fit into the system—which many don't—often reach 18 or older

with no real experience of the world without written run by free adult people provide that here, in highly personal type of place. When I allow me to go to a dance in the town, they don't get back afterwards, they don't get institutional punishment; they get it, me, snorting front door, furious out of bed when I've got up first thing next day. They don't sin in the same way, believe me!"

Moreover, there is the living of a couple of years in provincial which can teach more linguistic skills. As an John Airs says that his so far have been fairly of their age group more idealistic about the brotherhood of all than perhaps is good. But in Mussidan there is a memorial to 32 men who, on June 11, 1940, called from their home Nazis and shot in rep a Resistance said.

I'm a Christian, and forgiveness," the colle adds. "But it's important young people, appreciate brotherly love can't be matically relied on a group of people comes another. And here a constant reminder of nodes through the wind black-robed old woman returning with her. "Her husband and so stance, are named memorial."

MICHAEL

Golf



STUART MARSHALL

WC, as it then was, made the same mistake with the Princess's ancestor, the old Duke of Gloucester, by the styling of the Princess as an advanced as the Duke of Gloucester. It would be surprising and disappointing if a five-dollar Princess were to be in prospect, though at the present Leyland's main worry is meeting demand for the car, redesigning its tail end. Princesses are just Princesses, original Austin, Morris and Riley versions having been utilised out of existence for months and the introduction of Externally you will find the subject in the HL version—the subject is the car or the 2200 models because of four round headlights

ad of two trapezoidal ones.
vezoidal? The same shape
Peugeot 504's lights.)
a first thing one notices
the Princess is that it is
roomy indeed; a real five-
roomed space in the back
three well-upholstered
e.
The temperature was in
low 90s F. I found the
silly ventilated plastic
livery very sticky indeed
the cloth of the Princess
as standard would have
much nicer. The fascias
is attractive, with all the
nes (including, very
ly, a brake system check)
a right hand side, as they
the new Rover 3500.
ibility in the front and
is good but it is poor to
rear because the parcel
is so high. This is one of
rawbacks of wedge-shaped
ug when it is taken to the
ts that it is in the Princess.

Parking is not easy, and is made more difficult by steering that is so heavy at low speeds as to demand power assistance. In town, and on narrow winding roads, the Princess can feel rather elephantine. The steering self-centres strongly, but making a 90 degree turn at walking pace is, frankly, hard work. Part of the trouble seems to stem from the tyres, which are fat radials mounted on narrow rims. The idea is to get a soft, low-absorbent ride. To this extent, the Princess is a low recommended tyre pressures there are snags—tyres squeal on corners and a reluctance to hold a straight line at speed among them.

A few pounds more air in the tires has little effect on the ride comfort and sharpens up the handling. Then the Princess feels very much at home on the motorway, cruising at 70 m.p.h. with next to no mechanical or road noise. It is a relaxing car to drive for long distances and the 16 gallon tank gives it a range of 400 miles or more between fill-ups. Low aerodynamic drag helps cut fuel consumption on the motorway: 28 m.p.g. reacted quite a lot of wind and road traffic, but it is still good for a big, comfortable five-seater.

The 1800 HL has an elderly four-cylinder, long-stroke engine which slows away happily at low revolutions, making a lot of gear-shifting unnecessary in traffic. This is just as well, because the four-speed box has the kind of shift one gets used to gradually rather than falls in love with at first sight. It feels as though it has been

lubricated with grit, not grease. The gear ratios are fine, with 45 m.p.h. coming up in second gear in 10.5 sec. in third, but the Princess is happy enough to go from under 20 m.p.h. to its 95 m.p.h. maximum in top.

Its suspension is fully independent and the Hydrasugs unite give it a soft but non-wallowing ride. On good roads, the Princess feels like a Citroën CX—I can't think of higher praise—but is, less impressive on bad ones. Hydrasugs are still capable of further development, however. A Princess owned by Alex Moulton, who invented Hydrasugs, felt much better than the standard car when I drove it on some bumpy country lanes a few months ago. Only minor modifications have been made to the suspension: the kind that can (and probably will) be made in due course to the Princess production line.

This scorching summer has focused attention on car ventilation systems as never before. The Princess measures up well. There are grilles in the centre of the fascia through which a powerful, fan-assisted blast can be directed at head or chest level. Thoughtfully, the fan can be used when the ignition key is in the "radio only" position, with the rest of the electrical system shut off. So your wife can listen to the seven o'clock news and keep cool while waiting for your train to arrive.

In keeping with its executive role, the Princess has a super power window—the only one I can think of which takes a thin briefcase laying flat. And the lockable glovebox is big enough to swallow a 35 mm. SLR camera and a small tape recorder.

Prices start at £2,587 for the 1800; the HL (for High Line) model tested costs £2,797. Compared with its rivals, especially some of the imports, the Princess HL is a lot of treading looking car for the money.

MY . PROUDEST possession, because it was the result of my own unaided efforts, is a silver ashtray won in the casting competition at an early Game Fair. In the same contest, I also secured a rod, a reel and a line, and this gave me the idea that the fair was a soft touch for anyone wishing to keep his fishing tackle up-to-date without paying more than the entry fee.

How wrong I was. That Game Fair was lightly attended, a friendly event rather like a village fete. The anglers I was competing with were dry-fly purists devoted to dropping the fly like thistle-down on the water. This meant that as long as I banded down my own fly in the target rings, I would be much more accurate than they were, as the wind blew their casts all over the place.

There were, I confess, critical marmars. But the purpose of my performance in those days was winning and not giving a demonstration of finesse, for which there was of course no prize.

I have been to a number of the fairs since, and might have gone to Glanusk this week, only an early harvest has made me stay at home. But the easy pickings have gone. At the very next fair I attended, the casting competition was dominated by men, women and boys far more determined than I could ever be.

To rub it all in, experts are now engaged to demonstrate the finer points of casting, and almost everything else in country sport.

But I have often wondered just how many of those who attend these days (last year they totalled over 70,000) have even a chance of taking part in the esoteric bloodsports which are the fair's *raison d'être*. Bri-

tain has some of the finest game shooting and fishing in the world, with bags which are unlikely to be exceeded anywhere else. The reason for this is that alone in Europe the game laws of feudal times have been handed down virtually intact. The landowner can preserve his game birds or his fish so

John Cherrington reflects
Fair which this year
near Crickhowell

that their slaughter can be reversed exclusively for himself or his friends. In other, and more democratic, countries—France and the U.S., for instance—anyone can shoot almost anywhere, subject to rather restrictive rules about the numbers taken. So no one preserves game and there is very little to be seen or shot.

Game preservation has an upper-class or at least moneyed aura about it, and any student of the British would have

noticed in the early days of the event some remarkable examples of what is loosely called the county set.

But democracy has now set in. There are, so it is confidently asserted, 6m. non-game anglers whose targets of coarse fish are not killed but put back to be caught again. There are

fects on the annual Game Festival is being held at Glanusk, Llanelli, South Wales.

A lot, of course, is about money. The sporting fraternity at every level are good spenders. It's bad form to kill or even attempt to kill anything without

e wearing the proper uniform of
protective clothing, and using
the right weapons. Fashions
change with the years, and the
real sportsman would sooner
see his wife and family in rags
than turn up himself incorrectly
dressed and equipped at a meet-
ing of the hounds, a pheasant
covert or a river. Some of the
clothing is functional and pro-
tective, but is as formal as a
businessman's bowler used to be.

So of recent years, with the
increasing popularity of the fair,
the supplying industry has
increased its trade stalls so that

they dominate the scene.

I think this is a pity, and hark nostalgically back to the less formal occasions of earlier days. But who am I to cavil if the sporting public of whatever fancy wishes to spend a day spending money in beautiful surroundings with only a minimal taste of the fair's real essence because it is almost extinguished by the crowd. It's their affair, and they seem to enjoy it.

BY BEN WRIGHT

African Hugh Baiocchi and Spaniard Manuel Pinero have just held us off once more in Sweden and Switzerland in successive weeks.

Since Rees is arguably the best British professional ever to have failed to win the Open Championship—he had the chance to win four—Bousfield was possibly the most under-rated, and Jacklin and Townsend are probably the most exciting, at times inspired, players we have produced since the war, there is some kind of logical sense in the results.

As the last season, an almost entire season unfolds in Frankfurt the week after next at the German Open, it is interesting to note that there have been seven British victories in this event in the last 25 years, a much more respectable record, though there was a long barren period between Brian Huggett's win in 1963 and that of his business partner, Neil Coles, in 1971. Our record lends support to the theory that the British are a superior in Germany because of the particular character of the two nations involved.

After the German Open, the top eight in our order of merit will be automatically selected to represent the Great British

and Ireland team against Europe's professionals in a new £50,000 fixture sponsored by the Guinness brewery, concerned at Braemar's Club. Like the mid-September, while the three places will be allocated by the Tournament Players' Division Committee.

At present, Coles, Irishman Eamonn Darcy, Scotsman Torrance, Channel Islander Tommy Horton, Martin Foster, Ulsterman Eddie Polland, another Irishman, John O'Leary, and a second Scott, Brian Barnes, are our leading eight in that order. But veteran Peter Butler, David Jagger, and Ireland's Christy O'Connor Jnr. are all within £1,000 and 1,000 points. Barnes going to Frankfurt.


Far more important to those on top of the table is the fact that the outright leader after the Carrolls Irish Open (Augustus 26-29) at magnificent Portmarnock (£35,000) that immediately follows the similarly rewarding Double Diamond individual and team events at glorious Gleneagles (August 19-21)—two of the great places to watch golf—will place in the first eight-man field in the Bledidilly World Matchplay Championship at Wentworth (October

t 6-9), one of my unfavourable
speculating courses.

Since the winner this year o
the Piccadilly will receive
£25,000, and first round losers
no less than £5,000, it is hardl
surprising that Darcy, third
Torrance, fourth, and Horton
sixth, are determined to out
the present leader, Coles, a
u the way. Their most dangerou
opposition must come from (th
two brilliant young Spaniards
Severiano Ballesteros, second
a and Pinero. fifth, although th
chances of the quiet man
Baluch, seventh, can obviously
not be discounted either.

What a wonderful month it
has been for the teenage
Ballesteros, who has suffer
anything but a lowdown start
his historic Open losing per
formance. By finishing thi
since in both the Scandinavian
and Swiss Championships, h
has underlined his own pote
tial, and coupled with 23-year
old Pinero's victory at Cran
fully indicates the Spanish
threat to our new extreme
questionable dominance o
European golf.

In the coming weeks there i
much more to whet the appetit
however, including the £20,000
San Alliaud trophy for Cham
pionships new King, Nether



Tony Jacklin



U HAVE the good fortune over Majora in a Cessna 30 feet, as I did recently get rid of a lot of mistriations. The island, I disd, had not been ruined my last visit eight years. The concrete block at here and there have vamped up a considerable of the beaches (and concrete there) are not crawling with sunworshipping ity. And most of the and there" lies alongy buys succeeding each urvaceously to the south of Paluma. Elsewhere ily in the north, there achlets trapped between a cliff or mountain which bring a glint to any stor's eye, were circum a little different.

Majora just at the it undoubtedly has prob including that most funda of one all in the turis y of too many beds being by too few clients have all the tourists is an constant question the island's hotelier- y usually name British s, for this is one place, for decades, we have ly remained at the top e league of visiting ers. The answer is that



Some of us, following the fickle trends of holiday fashions, are getting elsewhere, and a lot of us are not going anywhere outside Britain at all.

The Majorcans can hardly blame themselves for the recession. But they can—and many do—blame themselves for lack of foresight during that frenzy of building, bordering on hysteria which added over 40,000 beds to the Balearics' hotel capacity from 1969-70 alone. In fact, since 1968, the hotel capacity in all grades has just about doubled, standings now at 130,000, or 80 per cent. of the total in Majorca without taking into account self-catering accommodation.

All the same, things are not so bad as all that. In the peak year of 1973, 2,849,632 holiday-makers stayed in Majorca's

hotels. Last year, the figure was 6,000, or over 2.5% of which 830,000 are British). Even if, as the rumour predicts, there is a drop of 15 per cent. this year, it still leaves an impressive number of tourists and probably about 675,000 of them British.

In addition to their good climate, their splendid scenery and their beaches, the Majorcas still have a lot going for them.

They have an interesting history and some very fine old buildings, not to mention a long and close relationship with distinguished visitors from Chopin (and his literary lady) to Churchill. The island's appeal covers a wide range of special interests from ornithology to speleology. There are most kinds of water sport, a good selection of the land variety of

(golf, riding, tennis, shooting) and, as indicated, you can also make to the air. New amenities have been steadily added: a dolf, a riding school, a safari park; and there is a definite move towards developing a more serious cultural programme. You can still eat well at reasonable cost, and drink is cheap if you keep off the imported stuff. Not least, as one Majorcan hotelier put it "We have a long tradition of helping people have a good time. We believe in serving our customers well, and although this may sound a little idealised, it is true. They like the British, they have known us for a long time, they are used to us on our funny little ways. They have got the business of organised excursions down to a fine art and, for those who do not particularly want to be organ-

sed, it is very easy to hire a car with unlimited mileage. There is extraordinary variety to be explored among the island's 3,640 square km., from high mountains to agricultural plains, and if one is prepared to expand a little more as well, it is astonishingly easy to escape one's fellow humanity.

Regardless of the empty-bed crisis, Mallorca's advantages are still all there, and there are those who are not faring badly anyway. Thomson Holidays—by far the biggest British (and probably foreign) operator on the island—will not fall far short of their impressive 1975 total of 227,358 clients. They have the great advantage of owning or operating a high proportion of the beds they sell in Mallorca and thus not only can they avoid the strings of the standards, but can also experiment with their own methods of streamlining. Thomson's average high season package of £20-£140 for two weeks with return flight and full board in a three-star hotel this year shows about a 15 per cent. increase on 1975 equivalents.

It does not reflect, however, the hotel price increases proposed this summer long after the fact. It has been put down to increases which four operators have had to absorb along with losses due to the falling £. A major factor in rising costs has been an across-the-board 32.5 per cent. wage increase for hotel staff, and more increases are in the pipeline to meet the demands of unions which have become much more vociferous. However unlikely they are recognised. Obviously, these

will affect prices for 1977, perhaps by an additional 15 per cent.

For individual hoteliers, these wage demands, accompanied by threats of strikes, even when they are unlikely to materialize, are an organized scale, do not add to the joys. Many must regret the day they embarked on a second or third or fourth hotel before the first had been fully paid off.

Some have found the simple solution is to close down the shutters. But most prefer to seek other ways, such as streamlining, hard work and greater co-operation with each other.

Mrs. Mattea, Provincial Delegate for the Ministry of Tourism in the Balearic Islands, is convinced that the answer can be found through honest consultation among those most concerned. A Majorcan, with over 40 years in the tourist industry, he knows his islands—and his islanders. Mr. Antonino Pastor, President of the Employers' Section of the Provincial Syndicate of the Hotels and Tourist Industry, shares his optimism. "Solutions must be found; our very survival depends on it." One thing is certain.

The tourist now basking on Majorca's beaches and blissfully unaware of these heart-searchings, is unlikely to be the loser. For in the end, as everyone agrees, the holidaymaker is Majorca's most treasured possession.

★

Star week-end: £ Austria 33.66, Belgium 33.56, France 35.84, Italy 1.606, Greece 2.25, Spain 2.25, Switzerland 2.36, U.S. 12.5.

Source: Thomas Cook.

SYLVIE NICKELS

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Don't forget the grass

MIGHT SUPPOSE that a garden owner would rush to plants that are beautiful for at least six months of the year, never give any trouble and add next to nothing to maintain them. Let these are the virtues of the most serious and ornamental plants, which are, apparently, so popular in the popular appeal that nurserymen even trouble to grow them. Or could it possibly be the other way round? Is it if nurserymen grew more of them and gardeners displayed them better, they would become aware of their value and the demand for them be created. It could be a more example of a spiral common enough in gardening, where poor results in poor supply lead to even greater neglect and lack of knowledge.

Why this should be a fine for personal ornamental plants attracts me.

most of them have remained unaffected by the hot weather. Annual grasses are a different type of fish, on the whole less troublesome and more straightforward to grow if only because one must remember to sow them after the first frost and sow it in the right place at the right time. Once planted, the perennial kinds need no attention and with some the only problem is to prevent them from growing beyond their allotted space. Some kinds have incredibly tough roots to which occasionally have to take a sharpened mattock since they sprade simply bounce off the lawn and bruise my hand. One ornamental grass that most people do know is the variegated form of *Phalaris arundinacea* nicknamed "garfish" by gardeners, but more interestingly known as ribbon grass. The leaves are striped with white and make a continuous

erous ground cover two feet or w
thereabouts in height. Then at t
this time of the year the slender
flower spikes stand thickly like
a miniature wheatfield and are
quite attractive, though they
lack the elegance of some other
species such as the plummy
pampas grasses. These are also
universally known and are proba-
bly the only grasses for which
there is a continuous demand
and a fairly ample supply.

Yet there are pampas grasses
and pampas grasses, not all of
equal merit. The species com-
monly grown, *Cortaderia sel-*
ecena from the Argentine,
very variable plant
in height, time of flower-
ing and quality. It has several
variants, sold to me as Summ-
er Silver, which are seldom
fully open before October, when
a week or so they are likely
to become bedraggled through
frost and rain. Elsewhere I
have seen plants of this variety

which flower much earlier and really do deserve the award and Merit which it received in 1969, so maybe my nurserymen just get mixed up with their names. But it does suggest that it is plant you are after, not pays to see your pampas grass flower before you buy it. At present I await delivery of a variety named Gold Band with yellow striped leaves for which such floral identification would be necessary.

The most elegant of all the perennial grasses is *Stipa geminata*. The leaves are not geographically narrow and tufted. It is the flower and seed heads that make this such a decorative plant, tall and branched, rather ostlike in appearance but infinitely more elegant. It is precisely the seed head of plant with which to rescue a plant grouping that threatening to become too wild and dumpy.

For fear, I think that the most beautiful grass is the variegated form of *Molinia caerulea* in which the very slender leaves are conspicuously striped with cream. It makes a compact plant 12 to 24 inches high and is not a grass that one has to keep in mind. The fescues have a more massive tufted, completely non-invasive, habit which makes them very easy plants to place and manage. The most decorative kind is *Festuca glauca*, with intensely blue-grey, rolled, almost needle-thin leaves.

Victorian gardeners made great use of miscanthus, which is called calina. These are clump forming grasses grown exclusively for their foliage since they seldom flower.

British gardens, one species *Miscanthus sinensis*, has produced several fine varieties some of which have become reasonably scarce. For years my favourite was *Gracillimus*, which is long, but narrow green leaves which arch outward to produce a large, very graceful plant. Unhappily I lost it, probably because of poor drainage, and have not yet been able to

named "K. Another variety, named Variegatus, has broader leaves edged with yellow, and is most attractive in plan, but not very plentiful. Oddly enough, the only one that is really easy to buy is the one I find least attractive, Zebrinus, with leaves transversely splashed with yellow, a marking which interrupts the natural elegance of the leaf. All varieties grow 5 feet or a little more in height and spread, and are definitely by tough stools.

Another species, *Miscanthus sacchariflorus*, is taller and has broader leaves, a good plant where a rather jungle-like effect required, but *M. sinensis* and varieties are more adaptable and generally useful, especially small to medium size gardens.

Those species of *Cyperus* collectively known as umbrella grasses are so-called because the flower clusters are surrounded by a circle of narrow leaves held at more or less horizontally to the ribs of an umbrella. In effect they are sedges, not grasses, and the effect is similar.

A. G. L. HELLYER

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PUBLIC NOTICE

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£550,000.00 Bills have been issued on the 28th July, 1978 to mature on the 27th August 1978 at the rate of 10% per annum.

Applications to tender	£550,000.00
there are	£550,000.00 bills outstanding.

COMPANY NOTICES

THE SCOTTISH AGRICULTURAL SECURITIES CORPORATION LIMITED

5 1/2% Debenture Stock, 1986/88
3 1/2% Debenture Stock, 1979

Notice is hereby given that the REGISTERS of the Corporation's above-mentioned Debenture Stocks will be CLOSED for TRANSFERS and REGISTRATION from 12th to 31st August, 1978, both days inclusive.

By Order of the Board
H. J. McTIGHE,
Secretary.

148, Paternoster Place,
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53rd July, 1978.

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THE END OF THE LONGEST PIER IN THE WORLD



Pockets of fire were continuing to break out yesterday morning at the end of the mile and a-third long Southend Pier, which caused severe damage.

The banner at the railway pier at the end of the world's longest holiday pier, whose commercial viability has been under question, took on an ironic, ominous note.

Officials were trying to puzzle out why the fire-fighting system, which is tested three times a week, failed to work.

Near the source of the blaze are ten red boxes with buttons which, when pressed, should have set off an engine to

pump water from the sea for the fire hoses.

"Don't ask me why it failed," said Mr. Derek Tyler, the piermaster. "I don't know if we could have brought the blaze under control, but obviously it would have been a great help if the system had operated perfectly."

The first part of the pier was built in 1832, and another section was added in 1889. The final extension, which was ruined by the fire, was added in 1929.

"It is impossible to say yet if it can be rebuilt," Mr. Tyler added. "We will have to wait for expert advice from engineers before we know our next move."

Mr. John Brown leaving Artagen

By Michael Cassell

MR. JOHN BROWN, managing director of Artagen Properties, is to leave the company at the end of the year in the wake of a successful fight to prevent take-over by Sun Life.

The Artagen chairman, Mr. David Webb, together with two other directors, Mr. William Harris and Sir Richard Calverley, have resigned from the Board.

Mr. Philip Walker, chairman of Sun Life who led the bid, will become chairman and chief executive of Artagen. Other new directors will be Mr. Matthew Ryan, Sir Gordon Agnew and Sir Richard Calverley.

The long fight for control of Artagen ended earlier this month after a struggle which started in April and involved two increases in Sun Life's original offer.

Mr. Brown, 46, who has spent 10 years with Artagen—seven of them as managing director—said at the time he was to be leaving that such a long connection with the company.

He said he was interested in the company and to consider his future. A statement from Artagen at night said that terms concerning the termination of Mr. Brown's contract worth £33,000 a year and with four years to go had been put to him, which he was considering. Mr. Brown and the company was meeting obligations to him in full.

Mr. Brown's contract was for 10 years, but he was to be paid for the balance of the term. The company was to pay him £33,000 a year for the next four years, and then £10,000 a year for the next six years.

The Appeal Court judges said that the tribunal must be satisfied that the rateable value of the stadium was £250 and Mr. Ende proposed that it should be increased to £30,000.

The club took strong objection to the proposal, said Lord Denning, who said that the rateable value of the stadium was £250 and Mr. Ende proposed that it should be increased to £30,000.

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Europe lends £26m. for hydro-electric scheme in Wales

FINANCIAL TIMES REPORTER

TWO LOANS totalling the equivalent of £26m. (42m. units of account) have been granted by the European Investment Bank — the EEC's long-term finance institution — for the £26m. hydro-electric power scheme in Wales, which will be the largest of its kind in Europe.

The loans have been made to the Electricity Council and the Central Electricity Generating Board for 12 years at 9½ per cent. The power scheme is based on the "pumped storage" principle in which water is employed as a means of storing electricity.

Using off-peak power produced during the night, water will be pumped from a lake at Dinorwic, near Mount Snowdon, to another lake at a higher altitude. From there it will be released to fall again, to drive turbines and generate electricity at periods of maximum demand, supplement-

British Aluminium raises ingot prices

By Rhys David

BRITISH ALUMINIUM is to increase the prices of primary aluminium ingot and related products by an average of just over 10 per cent. from Monday, with consequential increases in the prices of semi-fabricated products likely to follow soon.

The increase which has been sanctioned by the Prices Commission comes two weeks after an announcement by Alcan, another leading supplier, that it would raise its prices by £70.60 to £258.50 for aluminium ingot.

The rises reflect higher costs, partly due to the fall in the real value of sterling. Though the rate of increase in wage and prices in the aluminium industry has slowed, the pro-

ducers pay more in dollar terms for supplies of alumina.

Demand continues to pick up after last year's severe drop in orders. Consumption in the U.K. is estimated at about 20 per cent. over last year, though still down on the high levels in the boom year of 1974.

Aluminium prices in the U.K. still lag behind those on the Continent, despite the increase, and further rises this year seem likely. Compared with the Alcan price of £258.50, the only quoted U.K. price, the French and West German prices are estimated at about £260, with the general average in a group of important world markets about £250.

The Labour Party set up by the TUC-Labour Party Liaison Committee to look into the matter.

This states that the objective should be to introduce the full scheme by 1979 in a succession of gradual stages.

Mr. Patrick Jenkin, shadow Social Security Secretary, yesterday derided the agreement as "remarkable and ingenious." He said the Government had betrayed its promise and chief critics of the Government in the dispute, said the agreement represented a fundamental change that it would be unwise to ignore.

Mr. David Ennals, Social Services Secretary, replying to a debate, would go no further than a promise that the Government would carefully consider the proposals in the agreement.

Although the United States apparently has no evidence that such stockpiling has begun, officials say that it would be very difficult to spot in any case and that if the Soviet Union chose to stockpile third stages it would not be breaching the letter of the current SALT agreement even if it was effectively undermining the spirit of it.

At the very least one official noted the new S-20 deployment "cannot help but complicate the Strategic Arms Limitation Talks including the solution to the problem of such 'grey area' systems as the Soviet Backfire bomber and the American cruise missiles."

American officials note that even if the Soviet Union now has the technical ability to add a third stage on to its two-stage rocket this is a complicated task which could not be undertaken overnight. They also point out that it is by no means clear that the Russians have the right kind of launchers to launch a three-stage rocket as opposed to a two-stage one.

Third Peking 'quake alert

PEKING, July 30.

PEKING has been full of official alert since the early hours of this morning, when the Chinese authorities warned that another earthquake, the third in three days, could strike at any time.

However, there is speculation that the disaster which struck the city's diplomatic quarter on Wednesday was an over-reaction prompted by criticism of the complete absence of forewarning of the first disaster. Certainly, the tense atmosphere which followed the official warning has now dissipated, even though the alert continues and seems likely to last for some time to come.

Today's warning, issued well before dawn, saw a number of phenomena had been appearing without cessation since the first earthquake on Wednesday. Foreign residents who had not already evacuated their apartments in the city's diplomatic compounds were woken at about 3.30 a.m. by loud knocks on their doors and shouts of "earthquake."

By 10 a.m. the population, which has stayed in the calm, was pedalling belatedly to factories and offices, while some embassy personnel were returning to their buildings to escape an oppressive, steamy heat.

Nevertheless, all foreign businesses have been advised to leave Peking as soon as possible. Most are British, French and Japanese, camping in tents behind the walls of Peking's Forbidden City after being moved out of their hotels. Most have decided to leave for Shanghai, Tokyo, Hong Kong or elsewhere, or soon afterwards. The authorities have told them that the alert could last for two weeks.

Peking was only slightly damaged in the severest earthquake recorded for 12 years. But in the devastated coal-mining city of Tangshan, large-scale relief and rescue operations continued.

The city of more than 1m. some 150 kilometres from Peking, was reduced to rubble with tens of thousands believed killed. The third city of the earthquake region, Tianjin, was less heavily damaged with some loss of life, though the Chinese are not providing casualty figures. The Foreign Ministry has also rejected offers of aid from countries, including Taiwan and Japan.

Throughout the crisis the authorities have been anxious not to panic the population for fear of chaos in Peking's teeming streets. Foreign radio reports about today's warning were all partly jammed.

Sydney Morning Herald

New U.S. fears on Soviet missiles

By David Bell

WASHINGTON, July 30. THE DISCLOSURE that the Soviet Union is now installing new, multiple warhead medium range missiles aimed at Western Europe has touched off fears here that the Soviet Union may be circumventing the current Strategic Arms Limitation Agreement and this could open the way for fresh attacks on the Ford Administration's arms control strategy.

U.S. Arms Control and Disarmament Agency conceded yesterday that its annual report which said that Soviet medium range missiles were being "re-equipped and modernised" with multiple independently targeted warheads was misleading. It said that in fact the Russians began last autumn to replace SS-4 and SS-5 missiles with new SS-20 missiles which have mobile launchers, multiple warheads and a range of about 3,000 miles.

It has since emerged that these SS-20 missiles are in fact the first two stages of the three stage long range intercontinental SS-16 whose numbers are restricted by the existing SALT agreement. Senior officials accept that it would theoretically be possible for the Russians to stockpile the three stages and to fit them relatively quickly to SS-20s thus giving them a much enhanced range and mobility capability.

Medium range missiles, like the SS-20, are specifically excluded from the current SALT agreement and from discussions about the second stage agreements still under consideration.

No evidence. Although the United States apparently has no evidence that such stockpiling has begun, officials say that it would be very difficult to spot in any case and that if the Soviet Union chose to stockpile third stages it would not be breaching the letter of the current SALT agreement even if it was effectively undermining the spirit of it.

At the very least one official noted the new S-20 deployment "cannot help but complicate the Strategic Arms Limitation Talks including the solution to the problem of such 'grey area' systems as the Soviet Backfire bomber and the American cruise missiles."

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Amin agrees to send team for talks with Kenya

NAIROBI, July 30.

PRESIDENT Idi Amin announced today that he has agreed to a Kenyan proposal to send a Government delegation here to discuss how to solve "current problems" between the two East African nations.

Radio Uganda, monitored here, said the announcement was made to the Secretary General of the Organisation of African Unity (OAU), Mr. William Eteki Mboumoua, who is trying to mediate in the dispute.

Diplomatic sources here said earlier that Kenya saw no cause for mediation but felt a visit to Nairobi by a Ugandan ministerial delegation would be useful. The Kenyan proposal, mentioned by President Amin, was never made public here.

Uganda Radio said President Amin received Eteki Mboumoua in a "mediatory mission" to solve the temporary misunderstanding between Kenya and Uganda.

The President Amin of Uganda had been asked to resign by his army. The Nation, quoting informed sources, said the resignation message was delivered to President Amin at his Command Post in Kampala yesterday by a delegation of more than 30 senior officers, representing every barracks in Uganda.

The Nairobi newspaper also said the men who wanted President Amin out were Kakwas—his own tribe—and Nubians, it said these two tribal groups had been manning key positions in the army to ensure President Amin was not threatened by a coup.

The list of the officers' message to President Amin was that the army was demoralised, the people were frightened of their President, the army had seen many people killed and the economy was facing collapse, it added.

The Daily Nation newspaper reported today that President Idi Amin had agreed to send a team to Kenya for dialogue with Kenya and to discuss how to solve the current problems between the two countries, the radio said.

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The Daily Nation newspaper reported today that President Idi Amin had agreed to send a team to Kenya for dialogue with Kenya and to discuss how to solve the current problems between the two countries, the radio said.

Uganda Radio said President Amin received Eteki Mboumoua in a "mediatory mission" to solve the temporary misunderstanding between Kenya and Uganda.

The President Amin of Uganda had been asked to resign by his army. The Nation, quoting informed sources, said the resignation message was delivered to President Amin at his Command Post in Kampala yesterday by a delegation of more than 30 senior officers, representing every barracks in Uganda.

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Lebanon uncertain on accord

BY INSAN HIJAZI

REIRUT, July 30. LEBANON today awaited with uncertainty the "Damascus agreement" signed in the Syrian capital last night by Mr. Abdul Halim Khaddam, the Syrian Foreign Minister, and Mr. Farouk Kaddoumi, the head of the political department of the Palestine Liberation Organisation, for ending the civil war.

In Cairo Mr. Yasser Arafat, Chairman of the PLO, endorsed the agreement which called for a ceasefire throughout Lebanon within ten days. But he dissociated himself from a separate joint communiqué which denounced the Sinal disengagement agreement between Egypt and Israel.

The Middle East News Agency reported that Mr. Arafat sent instructions to all PLO representatives in Arab, and other, capitals, declaring the agreement had been approved by the "leadership of the Palestinian revolution. But he added in a message to President Sadat that the "so-called joint communiqué does not reflect the views of the Palestinian leadership and aims at sowing differences between it and Egypt."

According to Palestinian sources here Mr. Arafat contacted Mr. Saeed Kamal, deputy head of the political department based in Cairo, to say the PLO had "reservations" about the statement. The PLO was in contact with Syria about amending some of its clauses, it was added.

Heavy fighting continued in Beirut's suburbs despite the agreement. Fighting between the forces besieging Nabatieh, a Muslim pocket in the north-east of the capital, launched fresh attacks with rockets, mortars and tanks. Palestinian guerrillas and their left-wing allies countered with an assault on the southern Christian suburb of Ain Rummaneh, fighting fierce house-to-house battles that claimed at least 17 dead and 30 wounded, according to the Christian account.

The agreement provided for a ceasefire to be enforced by a joint Lebanese-Syrian-Palestinian committee which is to be headed by a representative of the Arab League. Within ten days from the date of the truce, gunmen must pull out of the streets and barricades brought about in that conditions are created for bringing life back to normal in this strife-torn country.

The second subjects the Lebanese guerrilla presence on Lebanese soil to provisions of the Cairo agreement, which the PLO accepted in 1969, and the Lebanese authorities in 1969.

The Damascus accord called on Lebanese leaders to meet under President-elect Elias Sarkis to end the 16-month old crisis on the basis of the "constitutional document" which outgoing Mr. Suleiman Frangieh, the titular President, proclaimed last February after talks in Damascus with President Hafez al-Assad.

Our Foreign Staff writes: Kuwaiti Press reports that Mr. Suleiman Frangieh was a member of the cabinet which last month purchased the Dorchester Hotel were yesterday described as "totally untrue" by Lord Pritchard.

The chairman of the newly formed Dorchester Hotel company set up by Pechineu, the new owners, to run it repeated an earlier statement to the effect that Sheikh Nayih Almutidin, chairman of Middle East Airlines, and Mr. Lucien Dohdhi, chairman of the main director of intra-investment, had acquired it on behalf of investors from Saudi Arabia and the United Arab Emirates. They had concluded the £5.5m. deal because they believed the Dorchester to be "a good property investment and a good hotel which they intend to make the finest in the world."

Mr. Dohdhi is a close political associate of Mr. Frangieh who is believed to be a wealthy man in his own right. However, in well-informed banking circles yesterday there was scepticism as to whether the Lebanese's titular President could risk the criticism that involvement in such a transaction could arouse at the present time.

Children evacuated from Seveso. SEVESO, July 30. OFFICIALS began evacuating 100 children today from a region contaminated by a cloud of poisonous vapour and women politicians asked the Italian Government to allow expectant mothers in the polluted zone to have abortions.

The children were taken from 114 families living in the three-mile-long path of a great white cloud which leaked from the chemical plant on July 10. The 300 adult family members will be evacuated by the end of this week—bringing to 632 the number of persons removed from the contaminated region just north of Milan.

Officials said nearly 5,000 people would be forced to leave their homes if they decided to evacuate every village where livestock are dying from internal bleeding caused by the pollution.

Doctors have warned couples in the region to abstain from sex until scientists can determine the possible genetic effects of the vapour—strong weed killer known as dioxin.

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'Treasury fought the unions'

By Peter Hennessy, Lobby Correspondent

GRAPHIC description of the big obsession became wage inflation—the civil servants had persuaded Ministers to change course. Mr. Ham denied that senior civil servants are political advisers to Mr. Denis Healey, Chancellor of the Exchequer.

From the time we got in one of their political battles was the balance of power which, they reckoned, had swung so much towards the unions.

"They couldn't expect a Labour Government to do the job by a head-on collision with the unions. So they were left with market forces."

Mr. Ham also described a Treasury in awe of the Bank of England which, in turn, is in awe of the money markets. This explains the persistent and profound hostility to medium-term planning in the Treasury, he claimed.

In 1974, the dominant Whitehall obsession was frustration of the policies of the then Industry Secretary, Mr. Anthony Wedgwood Benn. Civil servants coined the term "Bennery" long before the wordsmiths of Fleet Street.

"You couldn't call it anything else but a campaign to throw a spoke in the wheel of one Secretary of State. Tales were told to Ministers with the object of sabotaging the policies he symbolised."

Mr. Ham, aged 32, left the Treasury in April to become a local government union research officer. Previously he worked at the National Institute for Economic and Social Research and the OECD.

The National Savings movement is losing its amateur status. Christopher Hill reports on changed savings habits.

An end to the flowery hat image

ARELY THREE years ago the gamble with the interest on National Savings movement their capital. However, as the voluntary wing publication of the Page workers in the National Savings report, which underlined many movement are fond of pointing the conflicts and anachronism, the Government always has as which had been slowly rising in its power to make a move to the surface. This critical National Savings products amounted essentially to either more attractive or less question—was the move so. Perhaps an example of the main purpose to help this is the recent decision to a saver to protect the value replace the British Savings his capital, or to provide the Bond with a Jubilee which verment with a cheap source of interest over its term.

This question has never really answered and the dual action still exists. But the fine is no longer as cheap as was and the result of making National Savings products more attractive to the consumer has been a marked recovery in its Sixtieth Jubilee Year gift a setback in the recently published June savings figures.

The total net inflow to National Savings during 1975-76 was £783m., compared with £2.1m. in 1974-75 and only £2.2m. in 1973-74. While this undoubtedly reflects a general tendency of people over the past two years to save a higher proportion of their disposable income, the saving point is that National Savings is no longer poor relation of other forms saving. It has been getting share because it has been giving the right mixture of ducts at a time when the rate saver has become more cautious—relatively high rates fixed interest on bonds and unguaranteed schemes whose drawback is that their rate is limited; and premium for people who wish to

TOTAL INVESTMENT IN NATIONAL SAVINGS

	1975/76	1974/75	1973/74	1972/73
Total investment in Savings cert.	£m.	£m.	£m.	£m.
SAVE (DMS)	2671.4	2470.9	2367.3	2209.7
SAVE (TSB)	144.0	111.7	94.2	66.6
British Savings Bonds	88.5	78.9	87.2	88.7
Premium Bonds	1131.7	1043.4	1019.8	985.1
National Savings Bank (Ordinary account)	1541.7	1536.3	1532.5	1517.7
NSB (Investment account)	434.6	582.8	552.8	528.8
Trustee Savings Bank (Ordinary account)	1408.8	1517.2	1378.6	1294.9
TSB (special investment account)	2245.0	2077.8	1990.9	1940.5
TSB Current account	127.8	74.5	44.8	34.8
Other Government Securities on NS register	550.8	474.6	346.4	284.9
Total	11,558.5	10,775.5	10,472.4	10,294.2
All figures to end-March.				

Source: Dept. for National Savings.

ings voluntary movement should be wound up; and finally that a small experiment should take place in index-linking. His proposals on the Trustee Savings Bank and index-linking were taken up, but he was notably less successful with the other two—especially the winding up of the voluntary movement.

Taking the successes first, the Trustee Savings Bank has now got its central structure completed and is eager to get into the lending field, to compete on level terms with the clearing banks. It now seems very dynamic, but inevitably it does appear to be drifting away from the mainstream of the National Savings movement. At a meeting with the TSB chiefs recently National Savings was not even mentioned in the conversation.

Whether it will become the third force in banking that Page envisaged is perhaps questionable—if only because its branch network is thin in the southern part of England. But it is keen to become a "social

bank" for the individual rather than the commercial borrower.

Index-linking has been an even greater success for the National Savings itself in that over the past year the certificates have been the most significant single contributor to the upsurge in the demand for NS products.

Introduced in June last year for pensioners, the Index-Linked Retirement Certificate has sold over £280m. and has around 630,000 holders. Similarly, index-linked Save-as-You-Earn has had a resounding success with over 350,000 contracts and contributions running at £5m. per month. The only problems which have arisen have been the difficulty many investors (and some post office staff) have had in understanding the intricacies of index-linking. Also, the first few months of operation were the best for the index-linked plans and the rate of inflow has since settled down to a more modest pace.

There was considerable

case, abolishing the role of the talking to Harry Scholes, the voluntary workers was too bitter a pill for the Government: to swallow and the result is that it is here to stay with a pat on the back for its educational and social role. Even before Page, it had always been uppermost in his mind.

Savings stamp

But the savings stamp is going at the end of the year and by that time the Community Group will have had to find a new role in the general promotion of saving. There was a lot of opposition to disappearance of the stamp, but at the Committee level the main aim now is to get rid of the image of middle-class village ladies in big hats and flowered dresses encouraging thrift in the lower classes. The emphasis has also shifted from patriotism as a reason for putting money in National Savings. At the time of the First World War it was all very well to have Feed the Guns posters, but patriotism is now less fashionable.

While it is still difficult to

the school headmaster who is chairman of the National Educational Savings Committee, one felt that the social significance of what he was doing in the school bank field had always been uppermost in his mind.

The Jubilee campaign which the movement has been waging in staggered phases this year (culminating in the autumn) divides into three parts—places of employment, schools and colleges, and in the general community. The committee stresses that Page had the wrong idea about voluntary workers all along in that they were never woolly-minded do-gooders, but included professional people who often performed their National Savings functions as an inevitable part of their job. Organising SAYE deductions from the wage packets of employees is an obvious example.

Looking back on the past three years one can see that National Savings is enjoying a revival, partly as a result of altered economic conditions and partly because of Page's proposals. But there are still a number of conflicts present. Perhaps the most important is that there are too many savings institutions in the U.K. competing for funds, and encouraging one at the expense of another produces strains.

An obvious example is that making National Savings too attractive can divert savings from building societies. In this sense the Government has not pursued a balancing act and not enough has been done to determine the future relationship of the National Savings Bank with the Post Office Giro or even with

SAVINGS BY GROUPS

(as at March 31, 1976)

Places of employment Groups (thousands)	31
Members (thousands)	2,102
Gross Savings (£ millions)	330.8
Schools and colleges Groups (thousands)	18
Members (thousands)	1,201
Gross Savings (£m.)	6.9
Community Groups (thousands)	34
Members (thousands)	618
Gross Savings (£m.)	16.8
Totals Groups (thousands)	83
Members (thousands)	4,001
Gross Savings (£m.)	354.5

Source: Dept. for National Savings.

the remodelled Trustee Savings Bank.

Equally the relationship of the voluntary movement with the Department of National Savings is an area which needs further clarification, for while the Committee for National Savings is the spearhead for publicity, the main resources of finance and staff are provided by the Department. While it may go against the peculiarly British idea of volunteers being better than professionals, it might also provide more drive to the National Savings Committee if the chairman and the upper hierarchy were younger men who tackled the job as salaried career individuals independent of the Department rather than retired men of distinction in other walks of life. A step in this direction was that Sir John Austey had at least had some experience in National Savings work before becoming chairman of the Committee last year.

LABOUR NEWS

Leyland faces new car output threat

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

FISH LEYLAND faces a new threat to its car production when it resumes on Monday after the industrial holiday. They will decide whether to work with nine operators, who recently joined the engineering union from the Transport and General Workers, and who are also accused of trying to alter the structure of the union representation in favour of night workers.

One of their members recently failed to get re-elected as a steward.

Since the start of the holidays, another contentious issue has arisen at Jaguar—over where a £24m. new paint plant should be sited.

Mr. Derek Whittaker, Leyland Cars managing director, has opted for Castle Bromwich, Birmingham, where the bodies are made, after the negotiating committees had failed to agree.

Jaguar shop stewards are saying that the decision makes "a mockery" of the newly introduced worker-participation and consultation, and they will be meeting on Monday to decide their next step.

Nearby, at Triumph, 400 engine workers who went on strike the week before the holidays over the dismissal of two colleagues for "clocking" incidents associated with time-keeping, have also decided whether to continue their protest.

School-leavers need aid post, says Jack Jones

OUR LABOUR CORRESPONDENT

MORE URGENT allocation of resources to combat the "disaster" of "economic" school-leavers is demanded by Mr. Jack Jones, general secretary of the "Port and General Workers' union in his union journal, ones calls for a "square or youth to provide every leaver" with a job, "further education."

Knowledge that the movement has already taken measures which have led to a "bad" situation becoming "catastrophic," Jones calls for expansion of training subsidy scheme funds made available for

MWU in pension row

OUR LABOUR STAFF

THE third biggest trade union, the General and Municipal Workers, yesterday threatened to withdraw its pension membership of the Association of Pensioners.

The threat is strongly in the recent Government White Paper on pension schemes, which has been criticised by the union's secretary, David Bassett. G.M.W.U. secretary said yesterday the NAPF had rushed out a "Press release condemning the White Paper."

There was no consultation

Japanese yard wins Bell Lines order for container fleet

BY ARTHUR SMITH

BELL LINES, the U.K. shipping company, has placed orders for the replacement of its container fleet with a Japanese yard.

The move underlines the problems of European shipyards in competing with the prices quoted in the Far East. Mr. George Holloway managing director of Bell Lines, said last night that the Japanese price was about 30 per cent. below the best European offer. "We would have liked to have built at home, but with that sort of price gap there could be no question of it."

Pressure is building up within the European Economic Community for some sort of initiative to protect yards from Japanese competition. European shipbuilders, faced with falling order books in the wake of recession, have cut costs to the minimum. They maintain that the Japanese, with similar labour and raw material costs, must find it difficult to undercut prices by such a hefty margin.

The Government has acknowledged the fact that U.K. yards are working rapidly through order books and has offered improved credit terms and other inducements to encourage shipping lines to buy British.

Bell Lines nevertheless insisted last night that its decision to buy

from Japan had resulted in "an exceptionally keen price from a first-class yard."

The Kagoshima yard has contracted to deliver four new container ships between November and March 1977. Bell Lines also holds firm options for a further six ships at fixed prices.

Bell Lines, the container operating division of the George Bell Group of shipping and transport companies, operates seven routes between Britain, Ireland and the Continent. The company has automated terminals at Rotterdam, Teesport, Waterford and Belfast, and operates services through Le Havre and Victoria deep water terminal.

The company intends to replace all of its fleet of purpose-built container ships. It has opted for a smaller than average 120 container capacity ship to make possible a fast turn-around at terminals and a quick door-to-door service.

Horst Zeppenfeld, the shipowner, has co-operated with Bell Lines on the design and building of the new vessels. Some of the ships will be owned by either German or British companies and chartered back to Bell on long-term time charters. The first four ships will have German built MAK engines.

Secrets Act reform group starts work

BY PETER HENNESSY, LOMBAY CORRESPONDENT

THE CABINET committee set up to consider the reform of the Official Secrets Act met for the first time yesterday since the Prime Minister announced his intention last month of amending the controversial Section Two of the 1911 statute.

The committee, chaired by Mr. Callaghan, is understood to have taken a decision in principle to reform the Act in order to make it more effective in preventing the unauthorised disclosure of Government information. Officials will work on preparing the new Bill throughout the summer recess with a final Cabinet decision to be taken in the autumn prior to its introduction in the next session of Parliament.

The 1911 Act has been virtually unusable in recent years given its crude, "catch-all" nature. Mr. Callaghan, a known sceptic in these matters, was persuaded by a recent spate of leaks—of which the recent child benefits affair was the most spectacular—of the need for a more workable legal sanction against disclosure.

The reform of Section Two has been considered intermittently since the Franks Committee recommended its repeal in 1972.

A year ago, it looked as if Mr. Roy Jenkins, the Home Secretary, might have his way in achieving a liberal interpretation of Franks's findings.

Mr. Jenkins wanted to shift the onus on to the authorities who would be obliged to give good reasons for not disclosing information. He also wanted to make the law out of this area as far as possible by leaving it to

Tax-free rule

HAULAGE EMPLOYERS were reminded by the Inland Revenue yesterday that it remains their responsibility to ensure that drivers have been absent from home overnight before making tax-free subsistence payments. An attempt to agree a national arrangement for the whole industry failed earlier this week.

Economic Diary

to consider next phase of Government's industrial strategy.

FIGURES of the U.K. official reserves for July will be published by the Treasury on Tuesday.

SUNDAY—Government new agreed £2.50 to £4 pay limit comes into force. BBC potato import duties are suspended from today until September 30.

MONDAY—Debate in the House of Commons on public expenditure. Meeting of CBI Employment

Policy Committee. New session of UN Law of the Sea Conference begins in New York.

TUESDAY—Motion on further financial assistance to British Leyland to be debated in the House of Commons. CBI issues industrial trends survey for July. Unlicensed debt collectors liable

to penalties from to-day under Consumer Credit Act 1974. National Bus Company's response to Government's transport policy consultation document. Capital issues and redemptions during July.

WEDNESDAY—National Economic Development Council meets

FRIDAY—House of Commons due to rise for summer recess and meets again on October 11.

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	GF122	2045		0515		0805	0935
TUES	GF004	1000		1835			2210
	GF124	2045	0505		0800		0945
WED	GF008	1000	1825		2135		2320
	GF012	1000		1835	2135		
THURS	GF018	2045				0645	0830
	GF016	1000	1825				2025
FRI	GF126	2045		0515	0800		0935
	GF006	1000			1955		2145
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COMPANY NEWS + COMMENT

Better second quarter trend at Hoover

IN THE second quarter of 1976 group pre-tax profits of Hoover reached £4.31m, compared with £3.65m in the first half of the year up to March 31, 1976, compared with £3.65m in the first half of 1975. Sales in the half-year were lower at £32.69m, compared with £36.95m.

Although the U.K. market, as anticipated, did not show any significant upturn following the reduction in VAT, strong marketing efforts resulted in improved sales the directors state. They did not, however, reach the level attained in the second quarter last year when a high level of sales resulted from the advance announcement of the increase in VAT to 25 per cent.

An early announcement of relaxations of credit restrictions would strengthen the improvement expected later in the year. However, as normal lower demand will be experienced during the present holiday season, the directors point out.

Economic recovery in overseas markets has not been as rapid as they might have expected, but they have been encouraged by the expanded sales experienced in many of the group companies.

At the net level profits emerged at £3.19m, against £3.32m for the half year, giving earnings per 25p share of 16p (27p). The interim dividend is unchanged at 5.34p net—for 1975 a total of 12.07p was paid from profits, before tax, of £19.19m. The company is controlled by the Hoover Company of the U.S.

	1975	1976
Group sales	£36.95	£32.69
Profit before tax	£3.65	£4.31
Income tax	0.50	0.50
Overseas tax	0.00	0.00
Profit after tax	£3.15	£3.81
Dividends	0.00	0.00
Reserves	0.00	0.00

See Lex

Ferguson Industrial ahead so far

FIRST QUARTER results of Ferguson Industrial Holdings to May 31, 1976, show pre-tax profit up from £18,000 to £19,000 after higher interest charges of £14,000 against £24,000. Sales improved from £47m to £54.8m. In the year ended February 29, 1976, pre-tax profits totalled £279,831 from sales of £2,070.7m. The group trades as builders' and plumbers' merchants, architectural and marine ironmongers and makers of industrial heating equipment and engineering supplies.

In their report with the annual figures, the directors said that an encouraging start had been made to the first two months totalling £4.8m.

	1975	1976
Sales	£4,700,000	£5,480,000
Trade profit	£18,000	£19,000
Interest	114,000	140,000
Profit	114,000	140,000
Dividends	0.00	0.00
Reserves	0.00	0.00

Meldrum Trust progress

Gross revenue of the Meldrum Investment Trust improved from £281,777 to £325,487 in the six months to June 30, 1976. After tax of £111,963 against £101,423, net revenue was £188,523 compared with £170,871.

An unchanged interim dividend of 0.23p net has already been declared—the previous total was 1.5p net revenue of £234,656.

Earnings per 25p share in the first half are 0.83p (0.85p) and net asset value per share, 44p (46p).

J. Dyson tops forecast

AGAINST A forecast of around £1.2m, group pre-tax profits of J. Dyson amounted to £1.31m for the year to March 31, 1976, compared with £1.33m for the previous year. At midday

Results due next week

Few results of major companies are due to be announced next week. The biggest of the batch is Lamson Industries (number 19) in the "Times 1000", which is due to announce interim results on Wednesday. Hogg Robinson and Dixons Photographic are reporting preliminary results on Tuesday and Thursday respectively.

The first half at Lamson Industries should show a marked recovery; this time last year, the company had to write off £1m, exceptional expenses such as redundancy payments and this may not be necessary now. Cost cutting and reorganisation should also contribute to the expected

HIGHLIGHTS

Lex comments on the second-quarter results from Hoover which show some improvement although figures for the six-month period are lower than the previous period. Elsewhere, British Benzol Carboursing reports a fall in profits for the full year, but second-half profits were more than 21 times those in the first half. With some price increases and higher volume, the group looks like heading for record profits this year. The RFD Group has shown a 47 per cent. profits rise in its preliminary profits report, based mainly on growth overseas. The Steinberg Group has made a loss for the year and has closed down the footwear division. Sound Diffusion made a loss of £307,000 and has arranged a new financial facility to help its trading.

profits were little changed at £0.35m.

Earnings per 25p share for the year were 3.65p, against 5.1p. The final dividend is the fore-shadowed 1.67p making an unchanged net total of 2.93p (2.5p).

£0.14m. loss by Steinberg

AS FORECAST at halfway, difficult trading conditions continued to affect trading results of the Steinberg Group and a pre-tax loss of £140,000 has been incurred for the period from April 1, 1975 to March 27, 1976 against profits of £28,000 in 1974-75.

First half profits had dropped from £381,000 to £13,000, due to the current winter season have been good and all divisions have improved. The directors are confident that results for 1976-77 will show a marked improvement over those now reported.

Lost per 10p share was 0.873p (earnings 3.144p). The net final dividend is held at 0.35p making an unchanged total of 0.877p.

The year's figures include trading losses in Pell of Norwich up to the date of closure of the footwear division. Financial losses are shown in the accounts as extraordinary items.

Other activities of the group include the manufacture of ladies clothing and handbags.

	1975-76	1976-77
Turnover	£1,000,000	£1,000,000
Loss	£140,000	£140,000
Net loss	£140,000	£140,000
Dividends	0.00	0.00
Reserves	0.00	0.00

See Lex

Steinberg Group has suffered a more than £1m. turn-round to a loss in spite of a 15 per cent. increase in turnover. This is also due to the terminal loss arising from the closure of the footwear division. At the interim stage, the group as a whole was still just making a profit.

Although the clothing and knitwear division—which is the group's principal business—is benefiting from seasonal demand for autumn stocks, the real test of underlying upturn in trade will have to wait until after September when the re-stocking season starts. With a maintained dividend, the shares yield 12.8 per cent. At 11p the market capitalisation is £1.43m, while the book value of the shares in the 1975 account was 41p a share.

Manchester Garages

In their interim report, the directors of Manchester Garages are proposing a one-for-one scrip issue and consolidation of the existing 5p shares into shares of 10p.

Figures for the first six months of 1976 have already been reported and show pre-tax profits up from £78,483 to £129,332, or 66 per cent.

British Benzol downturn

The directors state, however, that management figures to date in the current financial year show an improving trend.

A final dividend of 0.74p lifts the total from 0.855p to 1.07p net per 10p share.

Shares of British Benzol Carboursing rose 1p to 23p yesterday on news that second-half profits were more than 21 times those of the first half. There is a massive element in this improvement but genuine recovery in profitability is demonstrated by more profit being made in the first quarter of

improvement. However, there is scope for more progress when demand for office equipment recovers. The market is looking for something more than £5.1m. (£2.6m).

Improved results are also expected from Hogg Robinson and Dixons Photographic but the growth may not be as dramatic as that of other insurance brokers; the company has less international business, which provided cream for the others, and more underlying business, where profits are under pressure. Nonetheless, a rise to over £5m. is expected, compared to £4.7m. last time.

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higher turnover of £4.95m. (£4.16m.).

The directors say profit of the second six months will be affected by interest charges on the new trust site and also a note of caution must be exercised as model changes are due and consequently a shortage of new vehicles could be experienced during the last quarter.

Purchase of the 31-acre freehold site at Gorton has been made for £0.5m, which, when complete and operating, will be one of the major Ford truck dealerships in the country.

This will need further investment and development over the next two years. Already benefits are being felt from the realignment at the Woodford branch.

Rio Algom & Conzinc Riotinto

CANADA'S Rio Algom reports increased net earnings of £16.35m. (£9.37m.) for the first half of the current year compared with £15.55m. for the same period a year ago. Reflecting last June's rights issue, however, the latest earnings per share figure of £1.18 (88p) goes against £1.23 previously.

The increase in net earnings reflects a substantially reduced income charge as a result of lower income from uranium mining and steel operations; the effect, under the graduated Ontario mining tax rates, of lower earnings and increased capital expenditures on uranium mining operations in the latest period; and, to some extent, the repeal of the British Columbia Mineral Royalties Act.

Conzinc Riotinto of Australia reports that following the bid for the outstanding shares it does not already own in IOL Petroleum it now holds 95.8 per cent. of the latter's shares. Rio Vista Zinc has an 87 per cent. stake in CRJ and holds 51 per cent. of Rio Algom.

British Benzol downturn

GROUP PROFIT, before tax, of British Benzol Carboursing decreased from £1.35m. to £0.96m. in the year to March 31, 1976, after a downturn from £0.35m. to £0.25m. at halfway.

The directors state, however, that management figures to date in the current financial year show an improving trend.

A final dividend of 0.74p lifts the total from 0.855p to 1.07p net per 10p share.

	1975-76	1976-77
Home sales	£1,000,000	£1,000,000
U.K. export	£1,000,000	£1,000,000
U.K. import	£1,000,000	£1,000,000
U.K. total	£1,000,000	£1,000,000
U.K. profit	£1,000,000	£1,000,000
U.K. loss	£1,000,000	£1,000,000
U.K. net	£1,000,000	£1,000,000
U.K. dividend	0.00	0.00
U.K. reserves	0.00	0.00

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SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Tate and Lyle, last Wednesday, made its expected take-over for the sugar refining and starch products group Manbre and too, despite the latter Board's already declared strong opposition to such a move. The bid package comprises an all-cash offer of 170p or, alternatively, 70p in cash plus £1 million of a new Tate Convertible Unsecured Loan stock for Manbre share, capitalising the whole equity at £40.7m. Tate quoted the need to rationalise the U.K. sugar refining industry as the main reason for the bid, but Manbre maintains that its starch and glucose interests are the main attraction to Tate, and considers the bid price to be inadequate, although the company is basing its defence chiefly on what it considers to be serious monopoly implications arising from a take-over by it.

Moves are afoot for the restructuring of a further part of James Goldsmith's business empire. His master company, French Generale Occidentale, is holding discussions with Anglo-Continental Investment and Finance and Argyle Securities which are expected to lead to cash bids of 85p and 50p, respectively, for the two concerns. The whole of Anglo-Continental is already 67.9 per cent-owned by GO, is thus valued at 3m., while the Argyle equity, in which Anglo-Continental has a 47 per cent. interest, is capitalised at £11.4m.

The recently-announced talks which might have led to an offer for MY Dart from Lesney Products has been terminated. Two concerns jointly stated that "there has been a full and only discussion but it has not proved possible to reach agreement."

Approaches have been made to Assam Frontier Tea by sources in India which could result in an offer for the company. Assam Frontier share price responded strongly to the news, rising a rise on the week of 25 at 148p, and valuing the company at £1.4m.

A private consortium consisting of Mr. Edward Du Cann, D. Wickins, Mr. O. Aisher and Mr. G. Jackson have purchased between them some 43 per cent. of the issued Ordinary shares of First Talsman Investment. In compliance with the cover Code, the group is making a cash offer at 8p per share the outstanding equity. However, it is intended to maintain Stock Exchange listing for First Talsman shares which are currently priced at about 15p.

Company bid for	Value of bid per share	Market price	Price before bid	Value of bid (£m)	Bidder	Final Acct'ce date
Assam Cons. Beyer Peacock	20	181	181	0.2	Hampton Tst.	—
Ribby & Baron	50	49	47	2.1	Low & Bazar	—
Central Province	11	11	8	5.5	Carrot (1975)	—
Cox (H.L.)	33	31	33	1.5	Transport	—
Cuthbert (R. & G.)	48	44	25	3.2	Kema Nord AB	12/8
E. Sussex Sugar	30	30	22	1.5	Asstra Hides	—
Eng. Assoc. of Amer. Bond & Shareholders	384	380	380	0.4	Messa, Clarke & Cox-Jimm	—
First Talsman Inv. Form Prop.	84	46	15	0.1	Private emir.	—
Irish Cinema	120	115	65	0.3	Rank Organa	16/8
Keith & Rendra	80	77	76	3.5	Welfare Ins.	4/8
Kennedy (Allan)	187	175	157	0.3	Ferguson Ind.	4/8
London Tin	25	22	20	0.4	Davis Inv.	—
Mallit Secs.	20	22	20	0.4	Rubert	—
Manbre & Garton	170	169	159	0.4	Tate & Lyle	—
Metropole Ind.	50	50	33	0.4	Lat. Chmists.	9/8
New Bridge Hldg.	12	12	33	0.4	Holdings	—
Odex Reassan	118	114	70	5.3	Patterson	—
Polk. Plats.	158	152	128	0.1	Union Plats.	—
Royal Sovereign	81	78	82	3.5	Dickinson	—
Second Scottish Inv. Trust	67	66	85	38.6	Scott. Inv. Trst.	1/11
Shepherd (E.)	81	77	50	1.5	Jopling	—
Spencer, Turner & U.K. Optical	127	122	73	0.7	Deat Fowkes	6/8
Utley (Wm.)	184	140	118	24.5	Piketh. Bros.	13/8
Warwick Eng.	28	23	21	0.6	Wm. Reed	—
Waterfall	182	146	171	56.4	Union Plats.	—
Westport Elect.	15	14	14	0.2	Harcroft Trust	—
Wingate Inv.	33	33	34	5.2	Geo. Wimpey	—

* All cash offer. * Cash alternative. * Partial bid. * For capital not already held. * Combined market capitalisation. * Based on 30.7.76. * Based on 29.7.76. * At suspension. † Bid.

Denbyware plans major export programme

CHAIRMAN of Denbyware, C. H. Robinson says he has started a new venture in the U.K. as distributors of U.S. made high quality furniture. Substantial capital expenditure has been incurred, not only to maintain the company in a position of meeting demand, but also in the use of automatic machinery to promote the marketing of the product range, and to turn the programme of new product introductions.

At June 30, the deputy chairman and managing director, Mr. J. Simons had an interest in 27.37 per cent. of the group's shares, of which Intercom of the U.S. has given notice of an interest in 21.62 per cent.

Meeting, Savoy Hotel, W.C., September 17 at noon.

Lowe & Brydone in profit

AFTER five loss-making years Lowe & Brydone reports profits before tax and extraordinary items of £44,233 for the year to March 31, 1976, against a loss of £10,202 with the former loss-making business turning in a profit of £14,837 and the new housing arm making a contribution of £29,396 in its first six months of operation.

The recovery was achieved against a background of severely depressed orders in the printing industry and after a half-year loss of £10,339 before extraordinary

items. After tax of £11,539 (nil) and extraordinary charges of £18,189 (£20,250 credit), of which £15,223 redundancy payments are the principal item, there is an attributable profit of £24,308 (£20,303).

Earnings per 50p share are 3.54p (loss 1.15p). As before there is no dividend.

Turnover was £1,165,639 (£1,090,710) comprising printing £1,032,629 (£1,090,710) and housing £133,000 (nil).

Napcolour advances to £305,000

Pre-tax profit of Napcolour photo-finishers, increased from £22,811 to £205,156 in 1975. And the chairman, Mr. C. Plant forecasts a substantial increase for the current year.

A final dividend of 30p makes a total of 50p per £1 share. Charterhouse Group has a holding in the company.

Referring to the aim of obtaining a Stock Exchange quotation, Mr. Plant says this objective is under regular review in the light of changes in the market and the requirements of the Stock Exchange and remains a matter of high priority.

Year end commitments were £19m. (£10.4m.).

	1975	1974
Turnover	2,120,390	2,124,014
Profit before tax	225,734	212,899
Net interest charges	21,778	21,778
Pre-tax profit	203,956	191,121
Taxation	140,916	15,781
Extraordinary items	30,824	6,607
Dividends	15,289	21,717
Retained	78,221	18,722
Forward	37,221	29,288

Meeting, Chester, July 22, at 2.30 p.m.

Grovebell improvement: interim 0.5p

Grovebell Group, formerly footwear manufacturers, Maiden and Ireland Group, is returning to the dividend list with an interim of 0.5p per 5p share.

Turnover for the half year to May 31, 1976 increased from £0.73m. to £1.03m., and net profit recovered from £1,045 to £23,508 after tax of £4,500 (£2,021). Earnings per share were 1.22p (loss 0.22p).

Continuing efforts are being made to sustain the progress achieved in the first half, the directors state. The loss for the year to November 30, 1975 was £12,039.

The principal activity of the group's holding, Hartley (Burnley) subsidiary is the operation of a Vauxhall and Bedford main dealership in Burnley and Colne, Lancs, the leasing of its freehold industrial and commercial property at Farnham, Surrey is undertaken by Grovebell Limited, while the Red Rose Caravans subsidiary is a distributor of touring caravans.

Nova (Jersey) deficit

An attributable loss before tax of £185,000 is reported by Nova (Jersey) Ltd for the year ended March 31, 1976, compared with profits of £14,000 previously. First half profits had fallen from £53,000 to £15,000.

The directors say that while the costs of reorganisation have been vast, there has been an immediate benefit and profits are already beginning to show.

Turnover improved from £23.9m. to £42.2m. The loss is after deducting interest of £83,000 (£98,000) and crediting minorities of £13,000 (£20,000).

There are tax credits of £99,000 (£22,000 credit) and extraordinary debits of £42,000 (£42,000).

Again there is no dividend—the last payment was a single 0.5p net in 1973-74.

European problems continue to affect RIT

CURRENT YEAR of income of Rothschild Investment Trust will continue to be adversely affected by the European property situation despite providing one year's carrying costs of the Manhattan Center in the 1975-76 accounts, says the chairman, Mr. J. Rothschild.

In view of the European properties' problems Mr. Rothschild clarifies the position and outlines the Board's policy.

He explains that the portfolio was acquired during 1972/73 as part of the strategy to achieve a wider spread of assets and to invest overseas. Within this framework, major investments in Magnum Fund Limited and its subsidiary Mextrem NV were acquired.

Total cost of the properties was £24,527m. in terms of exchange rates prevailing at March 31, 1976. They have now been written down in the accounts to £13,794m. The properties are financed by some £19m. foreign currency loans. Steps will be taken to correct this imbalance as soon as possible.

Book cost of the holdings in Magnum and Mextrem at March 31, 1976, was some £9m. The convertible loan and preferred stocks owned by the company continues to be valued on the basis of the book value of £11.1m. would amount to a further £13.4m.

On conversion (last date December 31, 1976) of certain conversion rights on both the Magnum/Mextrem loan and preferred stock, the company would have an equity interest of approximately 47 per cent. in Magnum. If this interest is incorporated on the basis of the underlying net asset value of Magnum as at March 31, 1976, the increase over the book value of £11.1m. would amount to a further £13.4m.

The investments of Magnum and Mextrem (market value of £48m. at March 31, 1976) are held in readily marketable securities, foreign currencies and to a small extent, metals.

THE GRIQUALAND EXPLORATION AND FINANCE COMPANY LIMITED

(Incorporated in the Republic of South Africa)

REPORT FOR THE QUARTER ENDED 30TH JUNE, 1976

UNAUDITED CONSOLIDATED RESULTS OF THE GROUP

	Quarter ended	Quarter ended	Quarter ended
	30.6.76	31.3.76	30.9.75
Operating results			
Development—metres	736	309	1,045
Oil drilled—tons	125,000	85,000	210,000
Fibre produced—tons	14,594	10,169	24,793
Percentage fibre recovered	11.7	12.0	11.8
Revenue per ton	R20.2	R20.5	R20.5
Production costs per ton	R20.2	R20.4	R22.5
Selling costs per ton	R67.0	R60.4	R64.4
Financial results			
Operating profit	R100	R102	R107
Profit after tax from non-mining subsidiaries	193	102	295
Add: Interest received—net	2,338	1,114	3,452
Profit before taxation	2,531	1,216	3,747
Provision for taxation	513	237	750
Net profit after taxation	1,975	977	2,997
Capital expenditure	633	685	1,318
Prospecting expenditure	142	86	236

Notes

- Consolidated results are given, as information relating to the company only could be misleading.
- Financial results are based on actual share shipments which vary from month to month and do not necessarily bear a proportionate relationship to production and sales for the year.
- Operating results relate to the activities of group mines only, while financial results reflect sales of share from group mines as well as sales of other producers.
- Interim dividend No. 50 of 35 cents per share was declared on 2nd June, 1976.

On behalf of the Board
C. H. WALTERS | Directors
L. K. JOOSTE

Registered Office:
6 Holland Street,
Johannesburg 2001.

21st July, 1976.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
A.A.H.	Mar. 31	4,778 (4,147)	27.8 (33.7)	9.105 (8.277)
Astra Securities	Apr. 30	769 (589)	4.1 (3.1)	0.740 (0.528)
D. F. Evans	Mar. 31	175 (166)	4.8 (5.7)	1.1 (1.0)
E. O. Boardman	Mar. 31	1,105 (1,076)	2.1 (2.0)	0.576 (0.509)
Bones Webb	Dec. 31	143 (741)	4.3 (—)	0.5 (0.5)
Brady Industries	Mar. 31	831 (1,138)	12.2 (15.3)	5.853 (5.2)
Bridgeway Invest.	Dec. 31	381Lb (281c)	— (0.1)	Nil (Nil)
Cawoods	Mar. 31	5,035 (4,120)	20.7 (17.1)	6.134 (5.821)
Wm. Cook	Mar. 31	235 (114)	5.3 (4.2)	1.65 (1.2)
Crested Hldgs.	Apr. 30	188 (389)	3.2 (5.7)	1.505 (2.894)
Customs Mngt.	Apr. 30	315 (306)	2.5 (2.3)	0.9 (0.7)
D. & F. Evans	Mar. 31	1,064 (2,485)	2.9 (5.2)	2.925 (2.98)
Eastern Prods.	Dec. 31	1,629 (2,481)	7.8 (15.5)	Nil (Nil)
Fairley	Mar. 31	4,918 (2,910)	13.1 (10.2)	4.005 (3.808)
Fitch Lovell	Apr. 30	6,082 (4,670)	8.1 (5.8)	3.285 (3.027)
Formistone	Apr. 30	731 (683)	18.1 (13.5)	5.717 (5.198)
Fraser Aushcher	Apr. 30	405L (463c)	— (0.4)	0.038 (0.715)
Gawney Secs.	Apr. 30	984 (987)	4.8 (4.5)	1.19 (1.1)
Geamie Photog.	May 31	178 (226)	3.3 (4.2)	2.275 (2.275)
Gordon & Gitch	Mar. 31	966 (832)	8.8 (7.8)	2.167 (2.0)
Graig Shipping	Mar. 31	670L (1,046)	— (94.0)	13.36 (13.97)
Hall & Earl	Mar. 31	621 (615)	2.4 (2.5)	0.542 (0.483)
Holles Bro. & E.S.A.	Mar. 31	980 (628)	5.6 (4.2)	3.513 (3.211)
Inchcape	Mar. 31	37,001 (28,006)	33.8 (32.8)	7.514 (6.031)
J. Jarvis	Mar. 31	610 (457)	26.7 (20.0)	7.704 (7.143)
Kwikform	May 1	1,525L (1,092L)	17.2 (10.9)	4.45 (4.08)
Laurence Scott	Mar. 31	1,734 (1,734)	— (—)	3.4 (2.5)
Linford Hldgs.	Apr. 30	3,005 (2,483)	19.5 (14.0)	14.0 (8.0)
Macarthy Pharms.	Mar. 31	2,378 (1,607)	11.6 (7.9)	3.32 (3.2)
Magnet & Shierans	Mar. 31	11,330 (—)	15.5 (—)	4.06 (—)
Philips Patents	Feb. 2	49L (150L)	— (—)	Nil (Nil)
Routledge & Kegan	Mar. 31	242 (141)	10.3 (6.1)	3.3 (3.1)
Wm. Somerville	Mar. 31	62L (189)	— (14.3)	0.1 (2.451)
Stirling Knitting	Mar. 31	160 (251)	3.0 (3.9)	0.7 (0.7)
Swan Inter	Dec. 31	5,106 (13,845)	22.0 (44.5)	5.812 (5.437)

(Figures in parentheses are for corresponding period.)

* Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issues. † For 25 weeks.
* For 22 weeks. ‡ For three months. § For 24 weeks. ¶ For 25 weeks.
* For 18 months. ** For 12 months. †† For 15 months. ‡‡ For 13 months. §§ First dividend following merger of Magnet Joinery and Southern-Swans. L Loss.

Rights Issues

Astra Securities: One-for-three at 15p each.
National Westminster Bank: One-for-five at 183p each.
Whitcroft: One-for-four at 76p each.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
Albion	Mar. 31	61 (236)	Nil (0.808)
Allied Textile	Mar. 31	786 (654)	3.479 (3.185)
Amal Metal	Jun. 30	2,794 (3,770)	3.0 (4.0)
Assoc. Sprayers	Feb. 29	66 (261L)	Nil (Nil)
Barclays Bank	Jun. 30	106,300 (67,800)	4.75 (4.3)
Bickman & Cndr	Mar. 31	410 (307)	1.375 (1.25)
De La Rue	Jun. 30	4,178 (769)	— (—)
Glass & Metal	Apr. 30	345 (327)	— (—)
Glendlivet Distill.	Jun. 18	1,146L (860L)	1.87 (1.7)
Grindlays Hldgs.	Jun. 30	11,441 (10,995)	0.5 (Nil)
Half-Termotank	Mar. 31	530 (353)	1.161 (1.056)
Ladies Pride	May 31	243 (321)	0.83 (0.75)
Y. J. Lovell	Mar. 31	635 (470)	— (—)
Manchester Gars.	Jun. 30	139 (78)	0.55 (0.3)
Mann & Overton	Apr. 30	398 (274)	1.034 (0.94)
Nat. Westminster	Jun. 30	60,125 (53,230)	4.696 (4.289)
Plastic Castresna	Mar. 31	166 (180)	1.25 (1.0)
Prestige Group	Jun. 30	1,982 (1,832)	1.75 (1.4)
Pride & Clarke	Mar. 31	211 (513)	0.0 (3.0)
Reed Intal.	Jun. 30	16,500L (5,500L)	— (—)
Taylor Woodrow	Jun. 30	6,710 (3,251)	1.5 (1.317)
United Guarantee	Mar. 31	1 (351L)	— (—)

Offers for sale, placings and introductions

Thomas Northwick and Sons: Offer for sale 15m. Ordinary 50p shares at 80p each.

Christy Bros.: Re-listing issued share capital.

G.T. Asia (Sterling) Fund: Issue up to 800,000 Participating Redeemable 1p Preference shares at £10 per share.

Portsmouth Water: Offer for sale by tender £5m. 8 per cent. Redeemable Preference Stock 1981 at £97.50 per cent. minimum price.

Scrip Issues

Astra Securities: One-for-ten.
Cawoods Holdings: One-for-one.
Wm. Cook and Sons (Sheffield): One-for-four.
Formistone: One-for-ten.

APPOINTMENTS

Executive changes at Tefusion

Following the recent appointment of Mr. J. N. Wilkinson as Chairman and Mr. C. A. Nuttall as deputy chairman, Mr. A. R. Daffern, and Mr. P. Taylor, have been appointed assistant managing directors. Mr. A. R. Daffern's responsibilities include control of field operations and acquisition while Mr. P. Taylor will include control of manufacturing and overseas companies. In addition Mr. A. D. M. Gosman, who is responsible for controlling Trident Discount Centres, has been appointed to the Tefusion Board.

Mr. S. S. E. Freshwater has been appointed managing director of DUNSTON HOLDINGS. He succeeds his father, the late Mr. O. M. Freshwater.

At the end of October Mr. R. H. Grierson and Mr. J. D. A. Wallinger will retire from the partnership PANMURE GORDON & CO. Mr. E. H. D. Macdonald and Mr. N. S. Cobbold will also retire as partners but will remain as associates of the firm.

Mr. Gordon Robertson, previously commercial manager, has been appointed to the Management Board of the ENGLISH INDUSTRIAL ESTATES CORPORATION as director, estates management.

Mr. P. C. Buchanan has been appointed chairman of SOUTH CROFT, a subsidiary of Saint Piran.

Mr. D. J. Hull has been appointed joint managing director of F. COPSON COMPANY. Mr. P. F. Gorb has joined the Board of L. N. Presley (a subsidiary) as a director.

Mr. G. A. Clark Hutchison and Mr. J. N. Shaw, have been appointed directors of MAPLE MACOWARDS.

Mr. Miriam Stoppard has been appointed to the Board of Directors and takes up the post of deputy managing director, SYNTEX PHARMACE

WALL STREET + OVERSEAS MARKETS + LATEST PRICES

Better trend in early trading

BY OUR WALL STREET CORRESPONDENT

A SLIGHTLY BETTER tendency developed on Wall Street today, although trading failed to expand to any substantial extent.

By 1 p.m. the Dow Jones Industrial Average stiffened 0.77 to 980.06, reducing its loss on the week to 10.55, while the NYSE All Common Index, at 855.08, was up 6 cents on the day but down 53 cents on the week. Trading volume totalled 8.01m. shares, against 7.51m. at 1 p.m. yesterday.

Analysts said Citicorp's prime rate cut to 7 per cent from 7 1/2 per cent, was widely anticipated and whatever positive stimulus it might have provided has been balanced by concern

National Semiconductor fell another \$2 to \$33—it expects to deliver only half as many digital watches in the first half 1971 as it had previously anticipated, due to problems at its San Jose plant.

Ford Motor firmed \$1 to \$54 1/2 on sharply higher second quarter earnings.

Antel eased \$1 to \$54 on inventory shortages and other irregularities at one of its divisions.

Gulf and Western opened \$4 1/2 lower at \$18 1/2 ex a five-for-four stock split.

OTHER MARKETS

Canada holds firm

Canadian Stock Markets continued firm in light trading yesterday.

The Industrial Share Index rose 0.38 to 186.36, Base Index 0.02 to 151.50, Western Oil 0.24 to 234.53, Utilities 0.08 to 153.27, Banks 1.20 to 241.00 and Papers 0.22 to 117.00.

But Golds shed 0.24 to 244.65.

Consolidated-Bathurst lost \$1 to \$34 1/2 on lower second quarter and first half year earnings. It is also seeking a \$20m. medium-term loan.

Bow Valley Industries put on \$1 to \$25 1/2, despite sharply weaker 1970 results.

The American S.E. Market

					July 25	Previous	High	Low						July 25	Previous	High	Low	
Ind. div. yield %					July 23	July 16	July 9	Year ago (approx.)						July 23	July 16	July 9	Year ago (approx.)	
					3.84	3.83	3.79	4.64						Australia (a)	5.58.81	63.01	105.01	445.28
														Belgium (a)	91.73	89.58	113.18	91.80
														Denmark (a)	113.99	114.36	114.36	100.30
														France (a)	63.1	63.4	(29.7)	(30.7)
														Germany (f)	741.5	741.3	723.7	733.0
														Holland (a)	91.5	91.4	100.3	93.6
														Hongkong (a)	435.33	402.35	465.55	384.61
														Italy (a)	54.1	55.06	91.57	72.50
														Japan (a)	347.53	347.65	357.59	359.59
														Singapore (a)	255.14	255.90	265.16	255.90
														Indices and base dates (all base value 100 except as noted)				
														a) Standard and Poors 1928 All-Industry Index				
														b) Sydney All Ord. Ex. Index				
														c) Composite Index of Consumer Prices (1913=100)				
														d) Farm Bureau 1911, U. S. Commercial and Financial Index				
														e) American Bond Index				
														f) Nikkei 1925=100				
														g) Standard and Poors 1928 All-Industry Index				
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Year	50	59	1960	1961
Commodity	829.4	831.6	884.9	777.5
(December 31, 1961=100)				

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FT SHARE INFORMATION SERVICE

RADIANS BUILDING INDUSTRY—Continued

[illegible]

Conversion factor 0.7201 (0.7206)

601500

INDUSTRIALS—Continued

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Petroleum	315.00	+1.00	316.00	314.00	315.00	316.00	100	31500
Shell	280.00	+1.00	281.00	279.00	280.00	281.00	100	28000
Esso	270.00	+1.00	271.00	269.00	270.00	271.00	100	27000
British Airways	150.00	+1.00	151.00	149.00	150.00	151.00	100	15000
British Telecom	120.00	+1.00	121.00	119.00	120.00	121.00	100	12000
British Steel	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Airways	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Airways	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Airways	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Airways	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

INSURANCE

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Insurance	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Insurance	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Insurance	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Insurance	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Insurance	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

PROPERTY—Continued

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Property	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Property	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Property	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Property	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Property	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

TRUSTS—Continued

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Trusts	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Trusts	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Trusts	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Trusts	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Trusts	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

TRUSTS—Continued

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Trusts	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Trusts	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Trusts	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Trusts	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Trusts	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

SUMITOMO
HEAVY INDUSTRIES, LTD.
Tokyo, Japan

For ocean development,
systems engineering,
and environment protection.

MINES—Continued

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Mines	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Mines	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Mines	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Mines	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Mines	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

MOTOR, AIRCRAFT TRADES

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Motor	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Motor	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Motor	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Motor	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Motor	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

Commercial Vehicles

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Commercial	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Commercial	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Commercial	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Commercial	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Commercial	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

SHIPPERS, REPAIRERS

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Shippers	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Shippers	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Shippers	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Shippers	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Shippers	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

SHOES AND LEATHER

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Shoes	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Shoes	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Shoes	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Shoes	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Shoes	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

DIAMOND AND PLATINUM

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Diamond	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Diamond	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Diamond	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Diamond	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Diamond	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

NEWSPAPERS, PUBLISHERS

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Newspapers	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Newspapers	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Newspapers	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Newspapers	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Newspapers	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

PAPER, PRINTING, ADVERTISING

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Paper	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Paper	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Paper	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Paper	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Paper	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

TEXTILES

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Textiles	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Textiles	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Textiles	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Textiles	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Textiles	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

OVERSEAS TRADERS

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Traders	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Traders	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Traders	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Traders	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Traders	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

RUBBERS AND SISALS

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Rubbers	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Rubbers	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Rubbers	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Rubbers	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Rubbers	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

PROPERTY

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Property	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Property	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Property	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Property	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Property	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

TOBACCO

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Tobacco	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Tobacco	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Tobacco	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Tobacco	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Tobacco	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

TRUSTS, FINANCE, LAND

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas Trusts	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas Trusts	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas Trusts	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas Trusts	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas Trusts	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

India and Bangladesh

Stock	Price	Change	High	Low	Open	Close	Volume	Value
British Overseas India	100.00	+1.00	101.00	99.00	100.00	101.00	100	10000
British Overseas India	80.00	+1.00	81.00	79.00	80.00	81.00	100	8000
British Overseas India	60.00	+1.00	61.00	59.00	60.00	61.00	100	6000
British Overseas India	40.00	+1.00	41.00	39.00	40.00	41.00	100	4000
British Overseas India	20.00	+1.00	21.00	19.00	20.00	21.00	100	2000

Sri Lanka

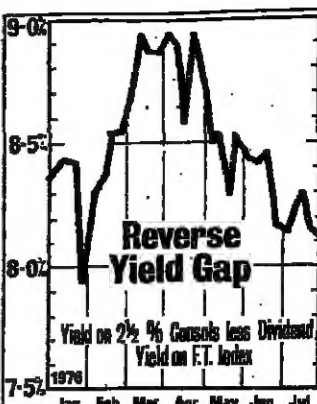
Stock	Price	Change	High	Low
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THE LEX COLUMN

Behind the new issue flops

TOKYO, July 30.

Index fell 5.7 to 365.9



Down another 12 1/2 points this week, the 30-Share Index has now fallen by over 25 points during the last fortnight, and the pace of breaching June's low point. At a time when stock markets around the world are visibly running out of momentum, the main worries in the U.K. include the Chancellor's apparent willingness to treat the corporate sector as a source of funds once more, and the threat to long-term interest rates implicit in the Government's need to sell gilts.

A sharp fall in the reverse yield gap in recent weeks—it is now almost a point below its springtime peak—shows that this has already been discounted to some extent. And the revival in corporate profits is unfolding according to plan, which means that there is a good chance that average dividend growth will exceed 10 per cent. This year thanks to the extra flexibility given to rights issue candidates.

This time last summer, the Index was nearing the end of an even sharper setback from its upward path. But the cycle is now that much more mature, and faced with the kind of indifference evident in the response to this week's new issues, it is not going to be easy to rebuild the market's confidence.

New issues

The brief flurry of offers for sale in the equity market is now over. At the end of the first week's trading Hambro Life's share price is standing at 206p against an offer price of 235p.

Molins, offered at 120p, closed at 106p after its first day's trading, and the Thomas Borthwick issue broke all records by being 98.4 per cent undersubscribed.

There are a number of technical reasons for this dismal showing, but the fundamental explanation lies in the state of the equity market. Basically the flops underline the complete absence of speculative activity, together with apathy on the part of the general public. The former is reflected in the low level of activity in the stock market generally, and the latter is highlighted by the steady disinvestment in equities, by private individuals. Last year they sold shares valued at £1,266m, whilst in the first quarter of this year they disposed of another £350m.

If these new issues were to

have been a success they had to rely heavily on institutional support. And there are a number of reasons why this was not forthcoming. On a technical level the market turned sour after the issues were announced and criticism can be levelled at the way the authorities, after a gap of 2 1/2 years, allowed three sizeable new issues and a large rights issue from NatWest to come to the market within a few days of each other. Thomas Borthwick's fate was sealed by the end of the first day's dealing in Hambro Life shares. Once there was any doubt about how the issues would go, the large institutions which had already underwritten them had little incentive to subscribe since they would be likely to pick up shares in their role as underwriters.

In addition, investors had some difficulty in assessing the companies on offer, although they were a much more solid bunch than some of the successes of the last bull market. Hambro Life's accounts were difficult to understand and Borthwick's had a volatile earnings record. Moreover, whilst the stock market has continued to give a good reception to the steady stream of rights issues, which have come to the market at an average monthly rate of £125m, this year (roughly 90 per cent of which are taken up) offers for sale are a different kind of animal which also partly explains the dismal response.

With a rights issue investors have a definite incentive to put up money when the shares are underwritten at a tangible discount. The alternative to taking 6.7 per cent covered 3.8

MAN OF THE WEEK

Master of the revels

BY ARTHUR SANDLES

EVERYONE knows that travel is good, and tourism is bad. When you or I make a journey to foreign parts, we go as travellers and find the presence of so many tourists making the same trip a considerable irritation. When some years ago, the British Travel Association died, to be replaced by a state-backed British Tourist Authority, it was a sure sign that the gentility of the good old days was gone, and that hard commercialism was taking over.

Over the past few weeks Britons have been witnessing some of the side effects of that new commercialism. The man who has prime responsibility for attracting tourists to Britain is Sir Alexander Glen, chairman of the BTA. This year he will have helped to bring some £2bn. in foreign currency into the country and, with some assistance from a declining pound, watched our tourism trading surplus move well up on the 1975 level of £350m. As far as Glen is concerned that's about right. If many more than 100m people had come to this country from abroad this year the nation simply would not have been able to handle them.



Glen was spotted for the tourist authority job by Anthony Crossland during the debating which was going on over the idea of merging BOAC and BEA when Glen was on the BEA side of the negotiating. He took the BTA chairmanship as a part-time job seven years ago and now, still paid on a part-time basis, he works full time at it. Someone somewhere must be pleased with what he has done. Glen was due to retire next month and there has been much speculation over a replacement. The fact that none has yet been named would seem to indicate a longer term of office.

A round, cheery, smiling character, Glen is the sort of person who is extremely difficult to dislike. His approach to tourism is criticised at times—he is accused of being too diplomatic, too nice to people who stand in the way of tourist development—but never by a person. It is his talent to oil the works of tourism. Glen himself says that whoever does it must have a lot of patience.

The Glen background is very much one of the exercise of this type of patience. For many years he was involved with the British National Export Council, he headed the Board of Shipping Industries Holdings for a while, an experience which ended less than happily as far as the Clarksons Holidays part of the operation was concerned, and he was briefly involved with the negotiations over the future of Upper Clyde Shipbuilders.

Under Glen the BTA has adopted the dual role of foreign salesman and domestic catalyst. Overseas the BTA has a very high reputation indeed. Its four operators and travel agents seem to regard Britain as among the more professional of travel salesmen. The recent bicentennial campaign in the U.S. which had Robert Morley declaring from newspapers and television screens, "Come Home, all is forgiven," might have made the British squirm, but the Americans loved it.

At home Glen has had the difficult task of convincing Britain and the British that tourism is important. Glen himself has few illusions. "I do not think that tourism is a substitute for manufacturing industry. It is very easy to overestimate the tourism case." But, he argues, Government is only just beginning to realise the significance of tourism and its links with that manufacturing base. Once Britain attracts foreign buyers to exhibitions and conferences, for example, it is up to industry to sell.

Glen at the moment seems totally opposed to the idea of a much more powerful tourism chief, perhaps even a Minister, who would have great powers over a wide area of tourism sale. But he would make two major changes in the U.K. approach if such power were his before the end of his BTA rule. First he would treat the hotel industry in the same way as manufacturing industry as far as taxes are concerned—being able to write off bedrooms as machinery, for example. And secondly, he would further liberalise our drinking laws. I suppose we'd all drink to that.

Japan's car exports rise by 53% in first half

BY CHARLES SMITH, FAR EAST EDITOR

JAPAN'S EXPORTS of motor vehicles during the first half of 1976 rose 53 per cent above the level of the first six months of 1975 to reach 1,580,000 units, according to figures released today by the Japan Automobile Manufacturers' Association.

This makes the current year to date by far the most successful period in the exporting history of the Japanese motor industry. The previous record six-month period was the second half of 1975, when exports reached 1.4m units.

The industry's performance looks all the more spectacular if figures for passenger cars are isolated from the overall statistics.

Anxiety

Passenger car exports during the six months period rose 59 per cent, over the first half of last year, reaching a total of 1,275,000 units.

Of these, exports to Britain accounted for 72,000 cars as against 62,000 a year ago, an increase that is bound to cause

continuing anxiety in Britain about Japanese car imports. The rise comes despite pressure from the British motor industry to try and persuade the Japanese to limit exports to the U.K. and follows a recent statement after a joint meeting in Tokyo that the Japanese thought there would be "no conspicuous change" in their share of the British market this year.

Japan has been exporting over 300,000 vehicles a month for the past few months—something that has not been achieved before in the industry's history.

The key to Japan's export success during the early part of this year was the U.S. market, which took very nearly twice as many Japanese cars as it did during the same period of last year.

The JAMA figures show exports to the U.S. up 96 per cent, but an earlier set of figures published by the Government show sales up (in value) by 99 per cent. Whatever the exact figures, the U.S. market seems to have accounted for around 43 per cent, of total Japanese car

exports during the first part of the year.

A large part of the spectacular increase in shipments has been explained by the rebuilding of stocks, which were run down to very low levels during the second half of 1975, but there has also been a recovery of demand for Japanese cars in North America.

Japanese car manufacturers, like other foreign car exporters to the U.S., have recently been the subject of anti-dumping investigations by the American authorities. The two biggest producers, Nissan and Toyota, however, have already been officially declared innocent.

Steel ahead

Exports of Japanese cars to Europe in the first half of 1976 showed a 55 per cent rise over the same period of last year, and came out at about half exports to the U.S. Shipments to the Middle East and Oceania (mainly Australia) were up by 52 per cent, and 41 per cent, respectively, over the same period of last year.

British Steel buys stake in scrap metal supplier

BY ARTHUR SMITH

BRITISH STEEL Corporation has made its first major purchase in the scrap metal supply industry. The corporation announced last night that £3.75m. has been paid for a one-third shareholding in Six Hundred Metal Holdings, a subsidiary of the 600 Group, and one of the leading U.K. suppliers of scrap.

The move comes two years after BSC extended its operations forward into steel stockholding with the acquisition of Lye Trading.

The State-owned sector, in its desire to assure steady supplies of the required quality of raw material, has aroused a great deal of controversy in its purchases from the fragmented scrap

industry. BSC already has a 42 per cent holding in a small Scottish company, Motherwell Machinery and Scrap, but yesterday's announcement is the first major step towards ownership of a supplier. The minority holding was acquired from Thorn Electrical Industries.

The 600 Group, which gave full support for the transfer of the holding, said its interests will be unaffected by the change of ownership. BSC has also gained approval for the transaction from the European Commission.

The BSC was at pains last night to play down the significance of the shareholding and maintained there were no plans

in the pipeline for further acquisitions.

The corporation is likely to take the line that this is only one of a number of measures to try to assure steady supplies of scrap. BSC will have two representatives on the Board of Six Hundred Metal Holdings whose wholly-owned subsidiaries include George Cohen Sons and Co., Cox and Danks, and Shipbreaking Industries.

Controversy has been aroused within the scrap industry by the BSC policy of moving towards a structure whereby all the companies feed in supplies to only 20 or so principal companies which have direct links with the corporation.

New doubt over EEC elections

By Reginald Dale, European Editor

A MAJOR new uncertainty has arisen over the EEC's plans to hold direct elections to the European Parliament in 1978, after a revision of the legal instrument introducing the new voting system.

In announcing Britain's somewhat reluctant acceptance of the revised formula in the Commons yesterday, Mr. Roy Hattersley, Minister of State, Foreign Office, disclosed that under the new system, the elections would only take place if all nine countries were ready to go ahead with them simultaneously.

Under the earlier formula, those countries able to do so have gone ahead on their own even if one or more of their partners were not ready.

Both Britain and Denmark had asked for a provision under which they would continue to nominate their delegates to the Parliament if they had not completed preparations for direct elections by the May/June 1978 target date.

But though this seemed to have been agreed at the EEC summit in Brussels earlier this month, France raised last-minute objections when Ministers met to finalise the instrument a week later.

M. Jean Sauvages, French Foreign Minister, argued that the French Constitution did not allow his country to accept an agreement that did not apply equally to all its signatories.

Insistence

Britain, which asked for more time for the Cabinet to study the new version, is still not entirely happy with it, as it could result in the U.K. having to assume responsibility for the whole operation being postponed.

But Mr. Hattersley told the House yesterday that the Government accepted the new text "if that is the form of instrument our colleagues prefer."

The fact that the new version has been pushed through at all is a sign of the French public stance and accepted the idea of direct elections on the assumption that Britain could be relied on to block the plan. Under the new formula, Britain remains committed to using its best endeavours to meet the 1978 target date.

Court clears Vickers takeover bid for machine tool group

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE FUTURE ownership of Kearney and Trecker Marwin, considered the key British-owned high technology company in the machine tool business, was settled yesterday when the High Court approved a scheme for Vickers to take over control from the Government.

At the end of a five-day hearing, Mr. Justice Templeman rejected allegations by W. E. Norton, the machine tool merchanting group with has been a long-standing shareholder in KTM, that the scheme was unfair.

He also dismissed suggestions that Vickers had been "brutal and unfair" in preparing the scheme.

Yesterday's decision clears the way for Vickers to complete the acquisition of an 86 per cent stake in KTM by August 6. It

will become part of Vickers engineering division. Mr. Jim Hendin, the Vickers director who is chairman of the engineering side, said last night: "We are very glad all this is behind us and that we can now get on with managing the company."

The scheme—which cleans out from the balance sheet KTM's accumulated losses of £6.8m. and injects nearly £2m. of new cash—will give KTM the sound base it needs for a viable, commercially sound future.

Mr. Hendin stressed that "in spite of the very optimistic claims and statements made in court, the order intake is less than we would wish and KTM now has to fight hard against international competition to win orders to justify the faith being shown in the company."

(In that connection, the Government is writing off £5m. already in KTM and putting up nearly £2m. more.)

Mr. Hendin described as "quite unrealistic" some of the figures heard in court when KTM's future profits were discussed. He also rejected the suggestions that Vickers had got a "good bargain." He maintained: "One knows whether we have paid too much. Neither can anyone say we have been able to drive a hard bargain that makes KTM a snip. Only time will tell."

"We hope that our shareholders will sometime in the future be able to agree that our judgment of the terms of our investment was right. What we have now is the basis for a sound, ongoing business in high technology machine tools."

Costs of the court hearing, involving as it did six parties, are unofficially estimated at £290,000. The judge decided that all the parties should bear their own costs.

New pardon by Juan Carlos

BY ROGER MATTHEWS

MADRID, July 30.

KING JUAN CARLOS to-night granted the second partial political pardon of his eight-month reign. The king, according to the Minister of Justice, released some 200 prisoners from jail.

The Spanish Government announced two weeks ago that it was asking the King to grant a political amnesty following mounting pressure from centrist and Left-wing opposition parties.

Because of the still imprecise terms of the amnesty, which will ultimately depend on the interpretation of the relevant judges, it cannot be said with certainty how many prisoners will be freed.

Government sources argued to-night that taking into account conscientious objectors and other people sacked from their civil service and university jobs for political opinions, the final total benefiting in different ways from the amnesty could reach 500.

Recent unofficial estimates suggested that Spain has at least 650 political prisoners, although some opposition sources put this figure at nearer 1,500.

Therefore, it can be expected that the Opposition will be profoundly disappointed by the King's decision, officially described as "extensive and generous."

Apart from ruling out any clemency for those political prisoners jailed for crimes leading to or involving violence, the Government also said that any labour amnesty would depend on individual employers.

shooting of two workers by police in Madrid last night during a demonstration.

One of the men who was shot, a shop steward from the ITT subsidiary Standard Electric, is critically ill in hospital. The other who was hit in the arm, is considered to be out of danger.

About 20,000 workers were involved in industrial action in Madrid during the day in protest at the shooting, and police used batons to break up groups of workers waiting outside a hospital to offer blood transfusions for their injured colleagues.

All three Standard Electric factories in Madrid were at a standstill for the entire day.

A police statement claimed that officers had fired in self-defence when they were attacked during efforts to break up an illegal demonstration.

Later today, seven workers arrested and several others injured when several thousand men staged a demonstration outside the gates of one of the factories and were repeatedly charged by riot police.

Demands for a full-scale political and labour amnesty, to include the thousands of workers sacked throughout Spain for taking part in strike action, have been one of the Opposition's most basic demands since the death of General Franco last November.

Without such an amnesty, the opposition parties claim that no progress can be made towards a more democratic system.

Panel censure

total authority: "I have noted the statement put out by Rothchild and must myself insist that it has never hitherto been decided in the councils of the City Panel that it was a matter of the highest importance that those appearing before it should show complete frankness and candour."

"It is indeed a matter of integrity which all professions recognise that they must not stand by knowingly while their clients are deceiving a tribunal whose jurisdiction they recognise."

"I think myself that in this case all the parties were well advised not to exercise the right of appeal which the panel rules give them."

"So far as concerns the internal inquiry by Rothchild, it is to be observed that the report of this inquiry was never shown to the panel, to whom only a memorandum of certain conclusions was submitted."

There appeared last night to be some disquiet that Rothchild had instituted its own in-

Weather

U.K. TO-DAY

SUNNY spells and showers. London, E. S.E., S.W. and Cent. England, E. Anglia, Midlands Sunny spells, showers. Wind N.W. light or moderate. Max. 18C (64F).

N.E. England, Borders, Edinburgh, Dundee, Aberdeen Sunny spells, showers. Wind N.W. moderate or fresh. Max. 13C (55F).

Channel Is., Wales, N.W. England, Lakes, I. of Man Sunny spells, showers. Wind N.W. light or moderate. Max. 16-18C (61-64F).

S.W., N.W. and N.E. Scotland, Glasgow, Argyll, Cent. Highland, Moray Firth Sunny spells, showers. Rain later. Wind N.W. then W. moderate. Max. 14-16C (57-61F).

Outlook: Rain in N., bright in S.

Lighting-up: London 21.20, Manchester 21.38, Glasgow 21.57, Belfast 21.58.

Long-range forecast Page 16

BUSINESS CENTRES

City	Y-day	Mid-day	Y-day	Mid-day
Alexandria	24	25	24	25
Amman	24	25	24	25
Baghdad	24	25	24	25
Bombay	24	25	24	25
Buenos Aires	24	25	24	25
Calcutta	24	25	24	25
Cairo	24	25	24	25
Colon	24	25	24	25
Hankow	24	25	24	25
Harbin	24	25	24	25
Hong Kong	24	25	24	25
Kobe	24	25	24	25
London	24	25	24	25
Lyons	24	25	24	25
Manila	24	25	24	25
Medan	24	25	24	25
Osaka	24	25	24	25
Paris	24	25	24	25
Rangoon	24	25	24	25
Seoul	24	25	24	25
Singapore	24	25	24	25
Taipei	24	25	24	25
Tokyo	24	25	24	25
Yokohama	24	25	24	25

HOLIDAY RESORTS

City	Y-day	Mid-day	Y-day	Mid-day
Algeria	24	25	24	25
Antwerp	24	25	24	25
Batavia	24	25	24	25
Bombay	24	25	24	25
Buenos Aires	24	25	24	25
Calcutta	24	25	24	25
Canton	24	25	24	25
Cebu	24	25	24	25
Colon	24	25	24	25
Hankow	24	25	24	25
Harbin	24	25	24	25
Hong Kong	24	25	24	25
Kobe	24	25	24	25
London	24	25	24	25
Lyons	24	25	24	25
Manila	24	25	24	25
Medan	24	25	24	25
Osaka	24	25	24	25
Paris	24	25	24	25
Rangoon	24	25	24	25
Seoul	24	25	24	25
Singapore	24	25	24	25
Taipei	24	25	24	25
Tokyo	24	25	24	25
Yokohama	24	25	24	25

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